

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO THE COMMITTEE PRINT SHOWING
ENTITLEMENT RECONCILIATION
RECOMMENDATIONS FOR FISCAL YEAR 2006
OFFERED BY MR. THOMAS**

Strike all and insert the following:

Pursuant to section 201 of the concurrent resolution on the budget for fiscal year 2006 (H. Con. Res. 95, 109th Congress), the Committee on Ways and Means hereby submits the following recommendations to the Committee on the Budget for inclusion in reconciliation legislation to be reported to the House:

1 **TITLE VIII—COMMITTEE ON**
2 **WAYS AND MEANS**

3 **SEC. 8001. SHORT TITLE.**

4 This title may be cited as the “Work, Marriage, and
5 Family Promotion Reconciliation Act of 2005”.

6 **SEC. 8002. TABLE OF CONTENTS.**

7 The table of contents of this title is as follows:

Sec. 8001. Short title.
Sec. 8002. Table of contents.
Sec. 8003. References.
Sec. 8004. Findings.

SUBTITLE A—TANF

Sec. 8101. Purposes.



2

- Sec. 8102. Family assistance grants.
- Sec. 8103. Promotion of family formation and healthy marriage.
- Sec. 8104. Supplemental grant for population increases in certain States.
- Sec. 8105. Elimination of high performance bonus.
- Sec. 8106. Contingency fund.
- Sec. 8107. Use of funds.
- Sec. 8108. Repeal of Federal loan for State welfare programs.
- Sec. 8109. Universal engagement and family self-sufficiency plan requirements.
- Sec. 8110. Work participation requirements.
- Sec. 8111. Maintenance of effort.
- Sec. 8112. Performance improvement.
- Sec. 8113. Data collection and reporting.
- Sec. 8114. Direct funding and administration by Indian tribes.
- Sec. 8115. Research, evaluations, and national studies.
- Sec. 8116. Study by the Census Bureau.
- Sec. 8117. Definition of assistance.
- Sec. 8118. Technical corrections.
- Sec. 8119. Fatherhood program.
- Sec. 8120. State option to make TANF programs mandatory partners with one-stop employment training centers.
- Sec. 8121. Sense of the Congress.
- Sec. 8122. Drug testing of applicants for and recipients of assistance.

SUBTITLE B—CHILD CARE

- Sec. 8201. Entitlement funding.

SUBTITLE C—CHILD SUPPORT

- Sec. 8301. Federal matching funds for limited pass through of child support payments to families receiving TANF.
- Sec. 8302. State option to pass through all child support payments to families that formerly received TANF.
- Sec. 8303. Mandatory review and adjustment of child support orders for families receiving TANF.
- Sec. 8304. Mandatory fee for successful child support collection for family that has never received TANF.
- Sec. 8305. Report on undistributed child support payments.
- Sec. 8306. Decrease in amount of child support arrearage triggering passport denial.
- Sec. 8307. Use of tax refund intercept program to collect past-due child support on behalf of children who are not minors.
- Sec. 8308. Garnishment of compensation paid to veterans for service-connected disabilities in order to enforce child support obligations.
- Sec. 8309. Maintenance of technical assistance funding.
- Sec. 8310. Maintenance of Federal Parent Locator Service funding.
- Sec. 8311. Information comparisons with insurance data.
- Sec. 8312. Tribal access to the Federal Parent Locator Service.
- Sec. 8313. Reimbursement of Secretary's costs of information comparisons and disclosure for enforcement of obligations on Higher Education Act loans and grants.
- Sec. 8314. Technical amendment relating to cooperative agreements between States and Indian tribes.
- Sec. 8315. State option to use statewide automated data processing and information retrieval system for interstate cases.



3

- Sec. 8316. Modification of rule requiring assignment of support rights as a condition of receiving TANF.
- Sec. 8317. State option to discontinue certain support assignments.
- Sec. 8318. Technical correction.
- Sec. 8319. Reduction in rate of reimbursement of child support administrative expenses.
- Sec. 8320. Incentive payments.

SUBTITLE D—CHILD WELFARE

- Sec. 8401. Extension of authority to approve demonstration projects.
- Sec. 8402. Elimination of limitation on number of waivers.
- Sec. 8403. Elimination of limitation on number of States that may be granted waivers to conduct demonstration projects on same topic.
- Sec. 8404. Elimination of limitation on number of waivers that may be granted to a single State for demonstration projects.
- Sec. 8405. Streamlined process for consideration of amendments to and extensions of demonstration projects requiring waivers.
- Sec. 8406. Availability of reports.
- Sec. 8407. Clarification of eligibility for foster care maintenance payments and adoption assistance.
- Sec. 8408. Clarification regarding Federal matching of certain administrative costs under the foster care maintenance payments program.
- Sec. 8409. Technical correction.
- Sec. 8410. Technical correction.

SUBTITLE E—SUPPLEMENTAL SECURITY INCOME

- Sec. 8501. Review of State agency blindness and disability determinations.
- Sec. 8502. Payment of certain lump sum benefits in installments under the Supplemental Security Income program.

SUBTITLE F—STATE AND LOCAL FLEXIBILITY

- Sec. 8601. Program coordination demonstration projects.

SUBTITLE G—REPEAL OF CONTINUED DUMPING AND SUBSIDY OFFSET

- Sec. 8701. Repeal of continued dumping and subsidy offset.

SUBTITLE H—EFFECTIVE DATE

- Sec. 8801. Effective date.

1 **SEC. 8003. REFERENCES.**

2 Except as otherwise expressly provided, wherever in
 3 this title an amendment or repeal is expressed in terms
 4 of an amendment to, or repeal of, a section or other provi-
 5 sion, the amendment or repeal shall be considered to be



1 made to a section or other provision of the Social Security
2 Act.

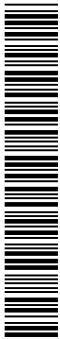
3 **SEC. 8004. FINDINGS.**

4 The Congress makes the following findings:

5 (1) The Temporary Assistance for Needy Fami-
6 lies (TANF) Program established by the Personal
7 Responsibility and Work Opportunity Reconciliation
8 Act of 1996 (Public Law 104–193) has succeeded in
9 moving families from welfare to work and reducing
10 child poverty.

11 (A) There has been a dramatic increase in
12 the employment of current and former welfare
13 recipients. The percentage of working recipients
14 reached an all-time high in fiscal year 1999 and
15 continued steady in fiscal years 2000 and 2001.
16 In fiscal year 2003, 31.3 percent of adult re-
17 cipients were counted as meeting the work par-
18 ticipation requirements. All States but one met
19 the overall participation rate standard in fiscal
20 year 2003, as did the District of Columbia and
21 Puerto Rico.

22 (B) Earnings for welfare recipients re-
23 maining on the rolls have also increased signifi-
24 cantly, as have earnings for female-headed
25 households. The increases have been particu-



1 larly large for the bottom 2 income quintiles,
2 that is, those women who are most likely to be
3 former or present welfare recipients.

4 (C) Welfare dependency has plummeted.
5 As of June 2004, 1,969,909 families and
6 4,727,291 individuals were receiving assistance.
7 Accordingly, the number of families in the wel-
8 fare caseload and the number of individuals re-
9 ceiving cash assistance declined 55 percent and
10 61 percent, respectively, since the enactment of
11 TANF.

12 (D) The child poverty rate continued to de-
13 cline between 1996 and 2003, falling 14 percent
14 from 20.5 to 17.6 percent. Child poverty rates
15 for African-American and Hispanic children
16 have also fallen dramatically during the past 7
17 years.

18 (2) As a Nation, we have made substantial
19 progress in reducing teen pregnancies and births,
20 slowing increases in nonmarital childbearing, and
21 improving child support collections and paternity es-
22 tablishment.

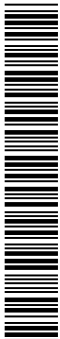
23 (A) The birth rate to teenagers declined 30
24 percent from its high in 1991 to 2002. The
25 2002 teenage birth rate of 43.0 per 1,000



1 women aged 15–19 is the lowest recorded birth
2 rate for teenagers.

3 (B) During the period from 1991 through
4 2001, teenage birth rates fell in all States and
5 the District of Columbia, Puerto Rico, Guam,
6 and the Virgin Islands. Declines also have
7 spanned age, racial, and ethnic groups. There
8 has been success in lowering the birth rate for
9 both younger and older teens. The birth rate
10 for those 15–17 years of age has declined 40
11 percent since 1991, and the rate for those 18
12 and 19 has declined 23 percent. The rate for
13 African American teens—until recently the
14 highest—has declined the most—42 percent
15 from 1991 through 2002.

16 (C) Since the enactment of the Personal
17 Responsibility and Work Opportunity Reconcili-
18 ation Act of 1996, child support collections
19 within the child support enforcement system
20 have grown every year, increasing from
21 \$12,000,000,000 in fiscal year 1996 to over
22 \$21,000,000,000 in fiscal year 2003. The num-
23 ber of paternities established or acknowledged
24 in fiscal year 2003 (over 1,500,000) includes a
25 more than 100 percent increase through in-hos-

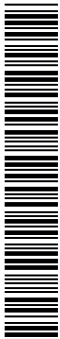


1 pital acknowledgement programs—862,043 in
2 2003 compared to 324,652 in 1996. Child sup-
3 port collections were made in nearly 8,000,000
4 cases in fiscal year 2003, significantly more
5 than the almost 4,000,000 cases having a col-
6 lection in 1996.

7 (3) The Personal Responsibility and Work Op-
8 portunity Reconciliation Act of 1996 gave States
9 great flexibility in the use of Federal funds to de-
10 velop innovative programs to help families leave wel-
11 fare and begin employment and to encourage the
12 formation of 2-parent families.

13 (A) Total Federal and State TANF ex-
14 penditures in fiscal year 2003 were
15 \$26,300,000,000, up from \$25,400,000,000 in
16 fiscal year 2002 and \$22,600,000,000 in fiscal
17 year 1999. This increased spending is attrib-
18 utable to significant new investments in sup-
19 portive services in the TANF program, such as
20 child care and activities to support work.

21 (B) Since the welfare reform effort began
22 there has been a dramatic increase in work par-
23 ticipation (including employment, community
24 service, and work experience) among welfare re-
25 cipients, as well as an unprecedented reduction



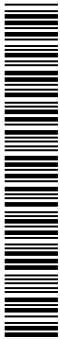
1 in the caseload because recipients have left wel-
2 fare for work.

3 (C) States are making policy choices and
4 investment decisions best suited to the needs of
5 their citizens.

6 (i) To expand aid to working families,
7 almost all States disregard a portion of a
8 family's earned income when determining
9 benefit levels.

10 (ii) Most States increased the limits
11 on countable assets above the former Aid
12 to Families with Dependent Children
13 (AFDC) program. Every State has in-
14 creased the vehicle asset level above the
15 prior AFDC limit for a family's primary
16 automobile.

17 (iii) States are experimenting with
18 programs to promote marriage and pater-
19 nal involvement. Over half of the States
20 have eliminated restrictions on 2-parent
21 families. Many States use TANF, child
22 support, or State funds to support commu-
23 nity-based activities to help fathers become
24 more involved in their children's lives or



1 strengthen relationships between mothers
2 and fathers.

3 (4) However, despite this success, there is still
4 progress to be made. Policies that support and pro-
5 mote more work, strengthen families, and enhance
6 State flexibility are necessary to continue to build on
7 the success of welfare reform.

8 (A) Significant numbers of welfare recipi-
9 ents still are not engaged in employment-related
10 activities. While all States have met the overall
11 work participation rates required by law, in an
12 average month, only 41 percent of all families
13 with an adult participated in work activities
14 that were countable toward the State's partici-
15 pation rate. In fiscal year 2003, four jurisdic-
16 tions failed to meet the more rigorous 2-parent
17 work requirements, and 25 jurisdictions (States
18 and territories) are not subject to the 2-parent
19 requirements, most because they moved their 2-
20 parent cases to separate State programs where
21 they are not subject to a penalty for failing the
22 2-parent rates.

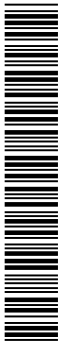
23 (B) In 2002, 34 percent of all births in the
24 U.S. were to unmarried women. And, with
25 fewer teens entering marriage, the proportion of



1 births to unmarried teens has increased dra-
2 matically (80 percent in 2002 versus 30 percent
3 in 1970). The negative consequences of out-of-
4 wedlock birth on the mother, the child, the fam-
5 ily, and society are well documented. These in-
6 clude increased likelihood of welfare depend-
7 ency, increased risks of low birth weight, poor
8 cognitive development, child abuse and neglect,
9 and teen parenthood, and decreased likelihood
10 of having an intact marriage during adulthood.

11 (C) There has been a dramatic rise in co-
12 habitation as marriages have declined. It is esti-
13 mated that 40 percent of children are expected
14 to live in a cohabiting-parent family at some
15 point during their childhood. Children in single-
16 parent households and cohabiting-parent house-
17 holds are at much higher risk of child abuse
18 than children in intact married families.

19 (D) Children who live apart from their bio-
20 logical fathers, on average, are more likely to be
21 poor, experience educational, health, emotional,
22 and psychological problems, be victims of child
23 abuse, engage in criminal behavior, and become
24 involved with the juvenile justice system than
25 their peers who live with their married, biologi-



1 cal mother and father. A child living with a sin-
2 gle mother is nearly 5 times as likely to be poor
3 as a child living in a married-couple family. In
4 2003, in married-couple families, the child pov-
5 erty rate was 8.6 percent, and in households
6 headed by a single mother the poverty rate was
7 41.7 percent.

8 (5) Therefore, it is the sense of the Congress
9 that increasing success in moving families from wel-
10 fare to work, as well as in promoting healthy mar-
11 riage and other means of improving child well-being,
12 are very important Government interests and the
13 policy contained in part A of title IV of the Social
14 Security Act (as amended by this title) is intended
15 to serve those ends.

16 **Subtitle A—TANF**

17 **SEC. 8101. PURPOSES.**

18 Section 401(a) (42 U.S.C. 601(a)) is amended—

19 (1) in the matter preceding paragraph (1), by
20 striking “increase” and inserting “improve child
21 well-being by increasing”;

22 (2) in paragraph (1), by inserting “and serv-
23 ices” after “assistance”;



1 (3) in paragraph (2), by striking “parents on
2 government benefits” and inserting “families on gov-
3 ernment benefits and reduce poverty”; and

4 (4) in paragraph (4), by striking “two-parent
5 families” and inserting “healthy, 2-parent married
6 families, and encourage responsible fatherhood”.

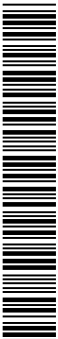
7 **SEC. 8102. FAMILY ASSISTANCE GRANTS.**

8 (a) EXTENSION OF AUTHORITY.—Section
9 403(a)(1)(A) (42 U.S.C. 603(a)(1)(A)) is amended—
10 (1) by striking “1996, 1997, 1998, 1999, 2000,
11 2001, 2002, and 2003” and inserting “2006
12 through 2010”; and

13 (2) by inserting “payable to the State for the
14 fiscal year” before the period.

15 (b) STATE FAMILY ASSISTANCE GRANT.—Section
16 403(a)(1)(C) (42 U.S.C. 603(a)(1)(C)) is amended by
17 striking “fiscal year 2003” and inserting “each of fiscal
18 years 2006 through 2010”.

19 (c) MATCHING GRANTS FOR THE TERRITORIES.—
20 Section 1108(b)(2) (42 U.S.C. 1308(b)(2)) is amended by
21 striking “1997 through 2003” and inserting “2006
22 through 2010”.



1 **SEC. 8103. PROMOTION OF FAMILY FORMATION AND**
2 **HEALTHY MARRIAGE.**

3 (a) STATE PLANS.—Section 402(a)(1)(A) (42 U.S.C.
4 602(a)(1)(A)) is amended by adding at the end the fol-
5 lowing:

6 “(vii) Encourage equitable treatment
7 of married, 2-parent families under the
8 program referred to in clause (i).”.

9 (b) HEALTHY MARRIAGE PROMOTION GRANTS; RE-
10 PEAL OF BONUS FOR REDUCTION OF ILLEGITIMACY
11 RATIO.—Section 403(a)(2) (42 U.S.C. 603(a)(2)) is
12 amended to read as follows:

13 “(2) HEALTHY MARRIAGE PROMOTION
14 GRANTS.—

15 “(A) AUTHORITY.—The Secretary shall
16 award competitive grants to States, territories,
17 and tribal organizations for not more than 50
18 percent of the cost of developing and imple-
19 menting innovative programs to promote and
20 support healthy, married, 2-parent families.

21 “(B) HEALTHY MARRIAGE PROMOTION AC-
22 TIVITIES.—Funds provided under subparagraph
23 (A) shall be used to support any of the fol-
24 lowing programs or activities:



1 “(i) Public advertising campaigns on
2 the value of marriage and the skills needed
3 to increase marital stability and health.

4 “(ii) Education in high schools on the
5 value of marriage, relationship skills, and
6 budgeting.

7 “(iii) Marriage education, marriage
8 skills, and relationship skills programs,
9 that may include parenting skills, financial
10 management, conflict resolution, and job
11 and career advancement, for non-married
12 pregnant women and non-married expect-
13 ant fathers.

14 “(iv) Pre-marital education and mar-
15 riage skills training for engaged couples
16 and for couples or individuals interested in
17 marriage.

18 “(v) Marriage enhancement and mar-
19 riage skills training programs for married
20 couples.

21 “(vi) Divorce reduction programs that
22 teach relationship skills.

23 “(vii) Marriage mentoring programs
24 which use married couples as role models
25 and mentors in at-risk communities.

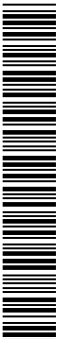


1 “(viii) Programs to reduce the dis-
2 incentives to marriage in means-tested aid
3 programs, if offered in conjunction with
4 any activity described in this subpara-
5 graph.

6 “(C) APPROPRIATION.—Out of any money
7 in the Treasury of the United States not other-
8 wise appropriated, there are appropriated for
9 each of fiscal years 2006 through 2010
10 \$100,000,000 for grants under this para-
11 graph.”.

12 (c) COUNTING OF SPENDING ON NON-ELIGIBLE
13 FAMILIES TO PREVENT AND REDUCE INCIDENCE OF
14 OUT-OF-WEDLOCK BIRTHS, ENCOURAGE FORMATION
15 AND MAINTENANCE OF HEALTHY, 2-PARENT MARRIED
16 FAMILIES, OR ENCOURAGE RESPONSIBLE FATHER-
17 HOOD.—Section 409(a)(7)(B)(i) (42 U.S.C.
18 609(a)(7)(B)(i)) is amended by adding at the end the fol-
19 lowing:

20 “(V) COUNTING OF SPENDING
21 ON NON-ELIGIBLE FAMILIES TO PRE-
22 VENT AND REDUCE INCIDENCE OF
23 OUT-OF-WEDLOCK BIRTHS, ENCOUR-
24 AGE FORMATION AND MAINTENANCE
25 OF HEALTHY, 2-PARENT MARRIED



1 FAMILIES, OR ENCOURAGE RESPON-
2 SIBLE FATHERHOOD.—The term
3 ‘qualified State expenditures’ includes
4 the total expenditures by the State
5 during the fiscal year under all State
6 programs for a purpose described in
7 paragraph (3) or (4) of section
8 401(a).”.

9 **SEC. 8104. SUPPLEMENTAL GRANT FOR POPULATION IN-**
10 **CREASES IN CERTAIN STATES.**

11 Section 403(a)(3) (42 U.S.C. 603(a)(3)) is
12 amended—

13 (1) in subparagraph (E)—

14 (A) by striking “1998, 1999, 2000, and
15 2001” and inserting “2006 through 2009”; and

16 (B) by striking “, in a total amount not to
17 exceed \$800,000,000”;

18 (2) in subparagraph (G), by striking “2001”
19 and inserting “2009”; and

20 (3) by striking subparagraph (H) and inserting
21 the following:

22 “(H) FURTHER PRESERVATION OF GRANT
23 AMOUNTS.—A State that was a qualifying State
24 under this paragraph for fiscal year 2004 or
25 any prior fiscal year shall be entitled to receive



1 from the Secretary for each of fiscal years 2006
2 through 2009 a grant in an amount equal to
3 the amount required to be paid to the State
4 under this paragraph for the most recent fiscal
5 year for which the State was a qualifying
6 State.”.

7 **SEC. 8105. ELIMINATION OF HIGH PERFORMANCE BONUS.**

8 Section 403(a) (42 U.S.C. 603(a)) is amended by
9 striking paragraph (4).

10 **SEC. 8106. CONTINGENCY FUND.**

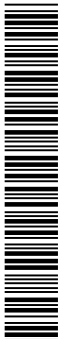
11 (a) DEPOSITS INTO FUND.—Section 403(b)(2) (42
12 U.S.C. 603(b)(2)) is amended—

13 (1) by striking “1997, 1998, 1999, 2000, 2001,
14 2002, and 2003” and inserting “2006 through
15 2010”; and

16 (2) by striking all that follows
17 “\$2,000,000,000” and inserting a period.

18 (b) GRANTS.—Section 403(b)(3)(C)(ii) (42 U.S.C.
19 603(b)(3)(C)(ii)) is amended by striking “fiscal years
20 1997 through 2006” and inserting “fiscal years 2006
21 through 2010”.

22 (c) DEFINITION OF NEEDY STATE.—Clauses (i) and
23 (ii) of section 403(b)(5)(B) (42 U.S.C. 603(b)(5)(B)) are
24 amended by inserting after “1996” the following: “and the
25 Food Stamp Act of 1977 as in effect during the cor-



1 responding 3-month period in the fiscal year preceding
2 such most recently concluded 3-month period”.

3 (d) ANNUAL RECONCILIATION: FEDERAL MATCHING
4 OF STATE EXPENDITURES ABOVE “MAINTENANCE OF
5 EFFORT” LEVEL.—Section 403(b)(6) (42 U.S.C.
6 603(b)(6)) is amended—

7 (1) in subparagraph (A)(ii)—

8 (A) by adding “and” at the end of sub-
9 clause (I);

10 (B) by striking “; and” at the end of sub-
11 clause (II) and inserting a period; and

12 (C) by striking subclause (III);

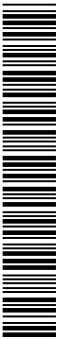
13 (2) in subparagraph (B)(i)(II), by striking all
14 that follows “section 409(a)(7)(B)(iii)” and insert-
15 ing a period;

16 (3) by amending subparagraph (B)(ii)(I) to
17 read as follows:

18 “(I) the qualified State expendi-
19 tures (as defined in section
20 409(a)(7)(B)(i)) for the fiscal year;
21 plus”; and

22 (4) by striking subparagraph (C).

23 (e) CONSIDERATION OF CERTAIN CHILD CARE EX-
24 PENDITURES IN DETERMINING STATE COMPLIANCE
25 WITH CONTINGENCY FUND MAINTENANCE OF EFFORT



1 REQUIREMENT.—Section 409(a)(10) (42 U.S.C.
2 609(a)(10)) is amended—

3 (1) by striking “(other than the expenditures
4 described in subclause (I)(bb) of that paragraph))
5 under the State program funded under this part”
6 and inserting a close parenthesis; and

7 (2) by striking “excluding any amount ex-
8 pended by the State for child care under subsection
9 (g) or (i) of section 402 (as in effect during fiscal
10 year 1994) for fiscal year 1994,”.

11 (f) EFFECTIVE DATE.—The amendments made by
12 subsections (c), (d), and (e) shall take effect on October
13 1, 2007.

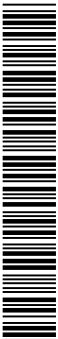
14 **SEC. 8107. USE OF FUNDS.**

15 (a) GENERAL RULES.—Section 404(a)(2) (42 U.S.C.
16 604(a)(2)) is amended by striking “in any manner that”
17 and inserting “for any purposes or activities for which”.

18 (b) TREATMENT OF INTERSTATE IMMIGRANTS.—

19 (1) STATE PLAN PROVISION.—Section
20 402(a)(1)(B) (42 U.S.C. 602(a)(1)(B)) is amended
21 by striking clause (i) and redesignating clauses (ii)
22 through (iv) as clauses (i) through (iii), respectively.

23 (2) USE OF FUNDS.—Section 404 (42 U.S.C.
24 604) is amended by striking subsection (c).



1 (c) INCREASE IN AMOUNT TRANSFERABLE TO CHILD
2 CARE.—Section 404(d)(1) (42 U.S.C. 604(d)(1)) is
3 amended by striking “30” and inserting “50”.

4 (d) INCREASE IN AMOUNT TRANSFERABLE TO TITLE
5 XX PROGRAMS.—Section 404(d)(2)(B) (42 U.S.C.
6 604(d)(2)(B)) is amended to read as follows:

7 “(B) APPLICABLE PERCENT.—For pur-
8 poses of subparagraph (A), the applicable per-
9 cent is 10 percent for fiscal year 2006 and each
10 succeeding fiscal year.”.

11 (e) CLARIFICATION OF AUTHORITY OF STATES TO
12 USE TANF FUNDS CARRIED OVER FROM PRIOR YEARS
13 TO PROVIDE TANF BENEFITS AND SERVICES.—Section
14 404(e) (42 U.S.C. 604(e)) is amended to read as follows:

15 “(e) AUTHORITY TO CARRYOVER OR RESERVE CER-
16 TAIN AMOUNTS FOR BENEFITS OR SERVICES OR FOR FU-
17 TURE CONTINGENCIES.—

18 “(1) CARRYOVER.—A State or tribe may use a
19 grant made to the State or tribe under this part for
20 any fiscal year to provide, without fiscal year limita-
21 tion, any benefit or service that may be provided
22 under the State or tribal program funded under this
23 part.

24 “(2) CONTINGENCY RESERVE.—A State or tribe
25 may designate any portion of a grant made to the



1 State or tribe under this part as a contingency re-
2 serve for future needs, and may use any amount so
3 designated to provide, without fiscal year limitation,
4 any benefit or service that may be provided under
5 the State or tribal program funded under this part.
6 If a State or tribe so designates a portion of such
7 a grant, the State shall, on an annual basis, include
8 in its report under section 411(a) the amount so
9 designated.”.

10 **SEC. 8108. REPEAL OF FEDERAL LOAN FOR STATE WEL-**
11 **FARE PROGRAMS.**

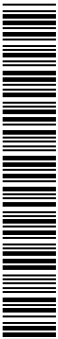
12 (a) REPEAL.—Effective as of October 1, 2006, sec-
13 tion 406 (42 U.S.C. 606) is repealed.

14 (b) CONFORMING AMENDMENTS.—

15 (1) Section 409(a) (42 U.S.C. 609(a)) is
16 amended by striking paragraph (6).

17 (2) Section 412 (42 U.S.C. 612) is amended by
18 striking subsection (f) and redesignating subsections
19 (g) through (i) as subsections (f) through (h), re-
20 spectively.

21 (3) Section 1108(a)(2) (42 U.S.C. 1308(a)(2))
22 is amended by striking “406,”.



1 **SEC. 8109. UNIVERSAL ENGAGEMENT AND FAMILY SELF-**
2 **SUFFICIENCY PLAN REQUIREMENTS.**

3 (a) MODIFICATION OF STATE PLAN REQUIRE-
4 MENTS.—Section 402(a)(1)(A) (42 U.S.C. 602(a)(1)(A))
5 is amended by striking clauses (ii) and (iii) and inserting
6 the following:

7 “(ii) Require a parent or caretaker re-
8 ceiving assistance under the program to
9 engage in work or alternative self-suffi-
10 ciency activities (as defined by the State),
11 consistent with section 407(e)(2).

12 “(iii) Require families receiving assist-
13 ance under the program to engage in ac-
14 tivities in accordance with family self-suffi-
15 ciency plans developed pursuant to section
16 408(b).”.

17 (b) ESTABLISHMENT OF FAMILY SELF-SUFFICIENCY
18 PLANS.—

19 (1) IN GENERAL.—Section 408(b) (42 U.S.C.
20 608(b)) is amended to read as follows:

21 “(b) FAMILY SELF-SUFFICIENCY PLANS.—

22 “(1) IN GENERAL.—A State to which a grant
23 is made under section 403 shall—

24 “(A) assess, in the manner deemed appro-
25 priate by the State, the skills, prior work expe-
26 rience, and employability of each work-eligible



1 individual (as defined in section 407(b)(2)(C))
2 receiving assistance under the State program
3 funded under this part;

4 “(B) establish for each family that in-
5 cludes such an individual, in consultation as the
6 State deems appropriate with the individual, a
7 self-sufficiency plan that specifies appropriate
8 activities described in the State plan submitted
9 pursuant to section 402, including direct work
10 activities as appropriate designed to assist the
11 family in achieving their maximum degree of
12 self-sufficiency, and that provides for the ongo-
13 ing participation of the individual in the activi-
14 ties;

15 “(C) require, at a minimum, each such in-
16 dividual to participate in activities in accord-
17 ance with the self-sufficiency plan;

18 “(D) monitor the participation of each
19 such individual in the activities specified in the
20 self sufficiency plan, and regularly review the
21 progress of the family toward self-sufficiency;

22 “(E) upon such a review, revise the self-
23 sufficiency plan and activities as the State
24 deems appropriate.



1 “(2) TIMING.—The State shall comply with
2 paragraph (1) with respect to a family—

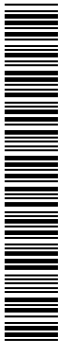
3 “(A) in the case of a family that, as of Oc-
4 tober 1, 2005, is not receiving assistance from
5 the State program funded under this part, not
6 later than 60 days after the family first receives
7 assistance on the basis of the most recent appli-
8 cation for the assistance; or

9 “(B) in the case of a family that, as of
10 such date, is receiving the assistance, not later
11 than 12 months after the date of enactment of
12 this subsection.

13 “(3) STATE DISCRETION.—A State shall have
14 sole discretion, consistent with section 407, to define
15 and design activities for families for purposes of this
16 subsection, to develop methods for monitoring and
17 reviewing progress pursuant to this subsection, and
18 to make modifications to the plan as the State
19 deems appropriate to assist the individual in increas-
20 ing their degree of self-sufficiency.

21 “(4) RULE OF INTERPRETATION.—Nothing in
22 this part shall preclude a State from—

23 “(A) requiring participation in work and
24 any other activities the State deems appropriate



1 for helping families achieve self-sufficiency and
2 improving child well-being; or

3 “(B) using job search or other appropriate
4 job readiness or work activities to assess the
5 employability of individuals and to determine
6 appropriate future engagement activities.”.

7 (2) PENALTY FOR FAILURE TO ESTABLISH
8 FAMILY SELF-SUFFICIENCY PLAN.—Section
9 409(a)(3) (42 U.S.C. 609(a)(3)) is amended—

10 (A) in the paragraph heading, by inserting
11 “or establish family self-sufficiency plan” after
12 “rates”; and

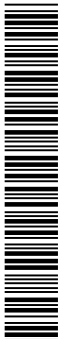
13 (B) in subparagraph (A), by inserting “or
14 408(b)” after “407(a)”.

15 **SEC. 8110. WORK PARTICIPATION REQUIREMENTS.**

16 (a) ELIMINATION OF SEPARATE PARTICIPATION
17 RATE REQUIREMENTS FOR 2-PARENT FAMILIES.—

18 (1) Section 407 (42 U.S.C. 607) is amended in
19 each of subsections (a) and (b) by striking para-
20 graph (2).

21 (2) Section 407(b)(4) (42 U.S.C. 607(b)(4)) is
22 amended by striking “paragraphs (1)(B) and
23 (2)(B)” and inserting “paragraph (1)(B)”.



1 (b) WORK PARTICIPATION REQUIREMENTS.—Section
2 407 (42 U.S.C. 607) is amended by striking all that pre-
3 cedes subsection (b)(3) and inserting the following:

4 **“SEC. 407. WORK PARTICIPATION REQUIREMENTS.**

5 “(a) PARTICIPATION RATE REQUIREMENTS.—A
6 State to which a grant is made under section 403 for a
7 fiscal year shall achieve a minimum participation rate
8 equal to not less than—

9 “(1) 50 percent for fiscal year 2006;

10 “(2) 55 percent for fiscal year 2007;

11 “(3) 60 percent for fiscal year 2008;

12 “(4) 65 percent for fiscal year 2009; and

13 “(5) 70 percent for fiscal year 2010 and each
14 succeeding fiscal year.

15 “(b) CALCULATION OF PARTICIPATION RATES.—

16 “(1) AVERAGE MONTHLY RATE.—For purposes
17 of subsection (a), the participation rate of a State
18 for a fiscal year is the average of the participation
19 rates of the State for each month in the fiscal year.

20 “(2) MONTHLY PARTICIPATION RATES; INCOR-
21 PORATION OF 40-HOUR WORK WEEK STANDARD.—

22 “(A) IN GENERAL.—For purposes of para-
23 graph (1), the participation rate of a State for
24 a month is—



1 “(i) the total number of countable
2 hours (as defined in subsection (c)) with
3 respect to the counted families for the
4 State for the month; divided by

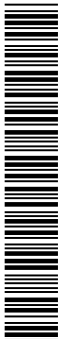
5 “(ii) 160 multiplied by the number of
6 counted families for the State for the
7 month.

8 “(B) COUNTED FAMILIES DEFINED.—

9 “(i) IN GENERAL.—In subparagraph
10 (A), the term ‘counted family’ means, with
11 respect to a State and a month, a family
12 that includes a work-eligible individual and
13 that receives assistance in the month under
14 the State program funded under this part,
15 subject to clause (ii).

16 “(ii) STATE OPTION TO EXCLUDE
17 CERTAIN FAMILIES.—At the option of a
18 State, the term ‘counted family’ shall not
19 include—

20 “(I) a family in the first month
21 for which the family receives assist-
22 ance from a State program funded
23 under this part on the basis of the
24 most recent application for such as-
25 sistance;



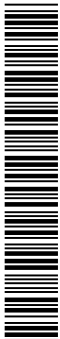
1 “(II) on a case-by-case basis, a
2 family in which the youngest child has
3 not attained 12 months of age; or

4 “(III) a family that is subject to
5 a sanction under this part or part D,
6 but that has not been subject to such
7 a sanction for more than 3 months
8 (whether or not consecutive) in the
9 preceding 12-month period.

10 “(iii) STATE OPTION TO INCLUDE IN-
11 DIVIDUALS RECEIVING ASSISTANCE UNDER
12 A TRIBAL FAMILY ASSISTANCE PLAN OR
13 TRIBAL WORK PROGRAM.—At the option of
14 a State, the term ‘counted family’ may in-
15 clude families in the State that are receiv-
16 ing assistance under a tribal family assist-
17 ance plan approved under section 412 or
18 under a tribal work program to which
19 funds are provided under this part.

20 “(C) WORK-ELIGIBLE INDIVIDUAL DE-
21 FINED.—In this section, the term ‘work-eligible
22 individual’ means an individual—

23 “(i) who is married or a single head
24 of household; and



1 “(ii) whose needs are (or, but for
2 sanctions under this part or part D, would
3 be) included in determining the amount of
4 cash assistance to be provided to the fam-
5 ily under the State program funded under
6 this part.”.

7 (c) RECALIBRATION OF CASELOAD REDUCTION
8 CREDIT.—

9 (1) IN GENERAL.—Section 407(b)(3)(A)(ii) (42
10 U.S.C. 607(b)(3)(A)(ii)) is amended to read as fol-
11 lows:

12 “(ii) the average monthly number of
13 families that received assistance under the
14 State program funded under this part dur-
15 ing the base year.”.

16 (2) CONFORMING AMENDMENT.—Section
17 407(b)(3)(B) (42 U.S.C. 607(b)(3)(B)) is amended
18 by striking “and eligibility criteria” and all that fol-
19 lows through the close parenthesis and inserting
20 “and the eligibility criteria in effect during the then
21 applicable base year”.

22 (3) BASE YEAR DEFINED.—Section 407(b)(3)
23 (42 U.S.C. 607(b)(3)) is amended by adding at the
24 end the following:



1 “(C) BASE YEAR DEFINED.—In this para-
2 graph, the term ‘base year’ means, with respect
3 to a fiscal year—

4 “(i) if the fiscal year is fiscal year
5 2006, fiscal year 1996;

6 “(ii) if the fiscal year is fiscal year
7 2007, fiscal year 1998;

8 “(iii) if the fiscal year is fiscal year
9 2008, fiscal year 2001; or

10 “(iv) if the fiscal year is fiscal year
11 2009 or any succeeding fiscal year, the
12 then 4th preceding fiscal year.”.

13 (d) SUPERACHIEVER CREDIT.—Section 407(b) (42
14 U.S.C. 607(b)) is amended by striking paragraphs (4) and
15 (5) and inserting the following:

16 “(4) SUPERACHIEVER CREDIT.—

17 “(A) IN GENERAL.—The participation
18 rate, determined under paragraphs (1) and (2)
19 of this subsection, of a superachiever State for
20 a fiscal year shall be increased by the lesser
21 of—

22 “(i) the amount (if any) of the super-
23 achiever credit applicable to the State; or

24 “(ii) the number of percentage points
25 (if any) by which the minimum participa-



1 tion rate required by subsection (a) for the
2 fiscal year exceeds 50 percent.

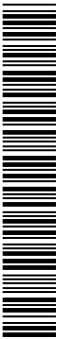
3 “(B) SUPERACHIEVER STATE.—For pur-
4 poses of subparagraph (A), a State is a super-
5 achiever State if the State caseload for fiscal
6 year 2001 has declined by at least 60 percent
7 from the State caseload for fiscal year 1995.

8 “(C) AMOUNT OF CREDIT.—The super-
9 achiever credit applicable to a State is the num-
10 ber of percentage points (if any) by which the
11 decline referred to in subparagraph (B) exceeds
12 60 percent.

13 “(D) DEFINITIONS.—In this paragraph:

14 “(i) STATE CASELOAD FOR FISCAL
15 YEAR 2001.—The term ‘State caseload for
16 fiscal year 2001’ means the average
17 monthly number of families that received
18 assistance during fiscal year 2001 under
19 the State program funded under this part.

20 “(ii) STATE CASELOAD FOR FISCAL
21 YEAR 1995.—The term ‘State caseload for
22 fiscal year 1995’ means the average
23 monthly number of families that received
24 aid under the State plan approved under



1 part A (as in effect on September 30,
2 1995) during fiscal year 1995.”.

3 (e) COUNTABLE HOURS.—Section 407 of such Act
4 (42 U.S.C. 607) is amended by striking subsections (c)
5 and (d) and inserting the following:

6 “(c) COUNTABLE HOURS.—

7 “(1) DEFINITION.—In subsection (b)(2), the
8 term ‘countable hours’ means, with respect to a fam-
9 ily for a month, the total number of hours in the
10 month in which any member of the family who is a
11 work-eligible individual is engaged in a direct work
12 activity or other activities specified by the State (ex-
13 cluding an activity that does not address a purpose
14 specified in section 401(a)), subject to the other pro-
15 visions of this subsection.

16 “(2) LIMITATIONS.—Subject to such regula-
17 tions as the Secretary may prescribe:

18 “(A) MINIMUM WEEKLY AVERAGE OF 24
19 HOURS OF DIRECT WORK ACTIVITIES RE-
20 QUIRED.—If the work-eligible individuals in a
21 family are engaged in a direct work activity for
22 an average total of fewer than 24 hours per
23 week in a month, then the number of countable
24 hours with respect to the family for the month
25 shall be zero.



1 “(B) MAXIMUM WEEKLY AVERAGE OF 16
2 HOURS OF OTHER ACTIVITIES.—An average of
3 not more than 16 hours per week of activities
4 specified by the State (subject to the exclusion
5 described in paragraph (1)) may be considered
6 countable hours in a month with respect to a
7 family.

8 “(3) SPECIAL RULES.—For purposes of para-
9 graph (1):

10 “(A) PARTICIPATION IN QUALIFIED AC-
11 TIVITIES.—

12 “(i) IN GENERAL.—If, with the ap-
13 proval of the State, the work-eligible indi-
14 viduals in a family are engaged in 1 or
15 more qualified activities for an average
16 total of at least 24 hours per week in a
17 month, then all such engagement in the
18 month shall be considered engagement in a
19 direct work activity, subject to clause (iii).

20 “(ii) QUALIFIED ACTIVITY DE-
21 FINED.—The term ‘qualified activity’
22 means an activity specified by the State
23 (subject to the exclusion described in para-
24 graph (1)) that meets such standards and



1 criteria as the State may specify,
2 including—

3 “(I) substance abuse counseling
4 or treatment;

5 “(II) rehabilitation treatment
6 and services;

7 “(III) work-related education or
8 training directed at enabling the fam-
9 ily member to work;

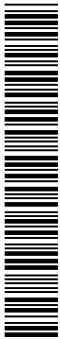
10 “(IV) job search or job readiness
11 assistance; and

12 “(V) any other activity that ad-
13 dresses a purpose specified in section
14 401(a).

15 “(iii) LIMITATION.—

16 “(I) IN GENERAL.—Except as
17 provided in subclause (II), clause (i)
18 shall not apply to a family for more
19 than 3 months in any period of 24
20 consecutive months.

21 “(II) SPECIAL RULE APPLICABLE
22 TO EDUCATION AND TRAINING.—A
23 State may, on a case-by-case basis,
24 apply clause (i) to a work-eligible indi-
25 vidual so that participation by the in-

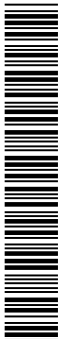


1 dividual in education or training, if
2 needed to permit the individual to
3 complete a certificate program or
4 other work-related education or train-
5 ing directed at enabling the individual
6 to fill a known job need in a local
7 area, may be considered countable
8 hours with respect to the family of the
9 individual for not more than 4 months
10 in any period of 24 consecutive
11 months.

12 “(B) SCHOOL ATTENDANCE BY TEEN
13 HEAD OF HOUSEHOLD.—The work-eligible
14 members of a family shall be considered to be
15 engaged in a direct work activity for an average
16 of 40 hours per week in a month if the family
17 includes an individual who is married, or is a
18 single head of household, who has not attained
19 20 years of age, and the individual—

20 “(i) maintains satisfactory attendance
21 at secondary school or the equivalent in
22 the month; or

23 “(ii) participates in education directly
24 related to employment for an average of at
25 least 20 hours per week in the month.



1 “(d) DIRECT WORK ACTIVITY.—In this section, the
2 term ‘direct work activity’ means—

3 “(1) unsubsidized employment;

4 “(2) subsidized private sector employment;

5 “(3) subsidized public sector employment;

6 “(4) on-the-job training;

7 “(5) supervised work experience; or

8 “(6) supervised community service.”.

9 (f) PENALTIES AGAINST INDIVIDUALS.—Section
10 407(e)(1) (42 U.S.C. 607(e)(1)) is amended to read as
11 follows:

12 “(1) REDUCTION OR TERMINATION OF ASSIST-
13 ANCE.—

14 “(A) IN GENERAL.—Except as provided in
15 paragraph (2), if an individual in a family re-
16 ceiving assistance under a State program fund-
17 ed under this part fails to engage in activities
18 required in accordance with this section, or
19 other activities required by the State under the
20 program, and the family does not otherwise en-
21 gage in activities in accordance with the self-
22 sufficiency plan established for the family pur-
23 suant to section 408(b), the State shall—

24 “(i) if the failure is partial or persists
25 for not more than 1 month—



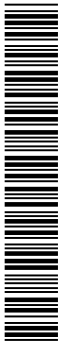
1 “(I) reduce the amount of assist-
2 ance otherwise payable to the family
3 pro rata (or more, at the option of the
4 State) with respect to any period dur-
5 ing a month in which the failure oc-
6 curs; or

7 “(II) terminate all assistance to
8 the family, subject to such good cause
9 exceptions as the State may establish;
10 or

11 “(ii) if the failure is total and persists
12 for at least 2 consecutive months, termi-
13 nate all cash payments to the family in-
14 cluding qualified State expenditures (as de-
15 fined in section 409(a)(7)(B)(i)) for at
16 least 1 month and thereafter until the
17 State determines that the individual has
18 resumed full participation in the activities,
19 subject to such good cause exceptions as
20 the State may establish.

21 “(B) SPECIAL RULE.—

22 “(i) IN GENERAL.—In the event of a
23 conflict between a requirement of clause
24 (i)(II) or (ii) of subparagraph (A) and a
25 requirement of a State constitution, or of



1 a State statute that, before 1966, obligated
2 local government to provide assistance to
3 needy parents and children, the State con-
4 stitutional or statutory requirement shall
5 control.

6 “(ii) LIMITATION.—Clause (i) of this
7 subparagraph shall not apply after the 1-
8 year period that begins with the date of
9 the enactment of this subparagraph.”.

10 (g) CONFORMING AMENDMENTS.—

11 (1) Section 407(f) (42 U.S.C. 607(f)) is amend-
12 ed in each of paragraphs (1) and (2) by striking
13 “work activity described in subsection (d)” and in-
14 serting “direct work activity”.

15 (2) The heading of section 409(a)(14) (42
16 U.S.C. 609(a)(14)) is amended by inserting “or re-
17 fusing to engage in activities under a family self-suf-
18 ficiency plan” after “work”.

19 **SEC. 8111. MAINTENANCE OF EFFORT.**

20 (a) IN GENERAL.—Section 409(a)(7) (42 U.S.C.
21 609(a)(7)) is amended—

22 (1) in subparagraph (A), by striking “fiscal
23 year 1998, 1999, 2000, 2001, 2002, 2003, 2004,
24 2005, 2006, or 2007” and inserting “fiscal year
25 2006, 2007, 2008, 2009, 2010, or 2011”; and



1 (2) in subparagraph (B)(ii)—

2 (A) by inserting “preceding” before “fiscal
3 year”; and

4 (B) by striking “for fiscal years 1997
5 through 2006,”.

6 (b) STATE SPENDING ON PROMOTING HEALTHY
7 MARRIAGE.—

8 (1) IN GENERAL.—Section 404 (42 U.S.C. 604)
9 is amended by adding at the end the following:

10 “(l) MARRIAGE PROMOTION.—A State, territory, or
11 tribal organization to which a grant is made under section
12 403(a)(2) may use a grant made to the State, territory,
13 or tribe under any other provision of section 403 for mar-
14 riage promotion activities, and the amount of any such
15 grant so used shall be considered State funds for purposes
16 of section 403(a)(2).”.

17 (2) FEDERAL TANF FUNDS USED FOR MAR-
18 RIAGE PROMOTION DISREGARDED FOR PURPOSES OF
19 MAINTENANCE OF EFFORT REQUIREMENT.—Section
20 409(a)(7)(B)(i) (42 U.S.C. 609(a)(7)(B)(i)), as
21 amended by section 8103(c) of this Act, is amended
22 by adding at the end the following:

23 “(VI) EXCLUSION OF FEDERAL
24 TANF FUNDS USED FOR MARRIAGE
25 PROMOTION ACTIVITIES.—Such term



1 does not include the amount of any
2 grant made to the State under section
3 403 that is expended for a marriage
4 promotion activity.”.

5 **SEC. 8112. PERFORMANCE IMPROVEMENT.**

6 (a) STATE PLANS.—Section 402(a) (42 U.S.C.
7 602(a)) is amended—

8 (1) in paragraph (1)—

9 (A) in subparagraph (A)—

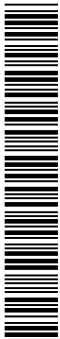
10 (i) by redesignating clause (vi) and
11 clause (vii) (as added by section 8103(a) of
12 this Act) as clauses (vii) and (viii), respec-
13 tively; and

14 (ii) by striking clause (v) and insert-
15 ing the following:

16 “(v) The document shall—

17 “(I) describe how the State will
18 pursue ending dependence of needy
19 families on government benefits and
20 reducing poverty by promoting job
21 preparation and work;

22 “(II) describe how the State will
23 encourage the formation and mainte-
24 nance of healthy 2-parent married
25 families, encourage responsible father-



1 hood, and prevent and reduce the inci-
2 dence of out-of-wedlock pregnancies;

3 “(III) include specific, numerical,
4 and measurable performance objec-
5 tives for accomplishing subclauses (I)
6 and (II); and

7 “(IV) describe the methodology
8 that the State will use to measure
9 State performance in relation to each
10 such objective.

11 “(vi) Describe any strategies and pro-
12 grams the State may be undertaking to
13 address—

14 “(I) employment retention and
15 advancement for recipients of assist-
16 ance under the program, including
17 placement into high-demand jobs, and
18 whether the jobs are identified using
19 labor market information;

20 “(II) efforts to reduce teen preg-
21 nancy;

22 “(III) services for struggling and
23 noncompliant families, and for clients
24 with special problems; and



1 “(IV) program integration, in-
2 cluding the extent to which employ-
3 ment and training services under the
4 program are provided through the
5 One-Stop delivery system created
6 under the Workforce Investment Act
7 of 1998, and the extent to which
8 former recipients of such assistance
9 have access to additional core, inten-
10 sive, or training services funded
11 through such Act.”; and

12 (B) in subparagraph (B), by striking
13 clause (iii) (as so redesignated by section
14 8107(b)(1) of this Act) and inserting the fol-
15 lowing:

16 “(iii) The document shall describe
17 strategies and programs the State is un-
18 dertaking to engage religious organizations
19 in the provision of services funded under
20 this part and efforts related to section 104
21 of the Personal Responsibility and Work
22 Opportunity Reconciliation Act of 1996.

23 “(iv) The document shall describe
24 strategies to improve program manage-
25 ment and performance.”; and



1 (2) in paragraph (4), by inserting “and tribal”
2 after “that local”.

3 (b) CONSULTATION WITH STATE REGARDING PLAN
4 AND DESIGN OF TRIBAL PROGRAMS.—Section 412(b)(1)
5 (42 U.S.C. 612(b)(1)) is amended—

6 (1) by striking “and” at the end of subpara-
7 graph (E);

8 (2) by striking the period at the end of sub-
9 paragraph (F) and inserting “; and”; and

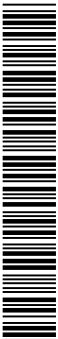
10 (3) by adding at the end the following:

11 “(G) provides an assurance that the State
12 in which the tribe is located has been consulted
13 regarding the plan and its design.”.

14 (c) PERFORMANCE MEASURES.—Section 413 (42
15 U.S.C. 613) is amended by adding at the end the fol-
16 lowing:

17 “(k) PERFORMANCE IMPROVEMENT.—The Secretary,
18 in consultation with the States, shall develop uniform per-
19 formance measures designed to assess the degree of effec-
20 tiveness, and the degree of improvement, of State pro-
21 grams funded under this part in accomplishing the pur-
22 poses of this part.”.

23 (d) ANNUAL RANKING OF STATES.—Section
24 413(d)(1) (42 U.S.C. 613(d)(1)) is amended by striking
25 “long-term private sector jobs” and inserting “private sec-



1 tor jobs, the success of the recipients in retaining employ-
2 ment, the ability of the recipients to increase their wages”.

3 **SEC. 8113. DATA COLLECTION AND REPORTING.**

4 (a) CONTENTS OF REPORT.—Section 411(a)(1)(A)
5 (42 U.S.C. 611(a)(1)(A)) is amended—

6 (1) in the matter preceding clause (i), by insert-
7 ing “and on families receiving assistance under
8 State programs funded with other qualified State ex-
9 penditures (as defined in section 409(a)(7)(B))” be-
10 fore the colon;

11 (2) in clause (vii), by inserting “and minor par-
12 ent” after “of each adult”;

13 (3) in clause (viii), by striking “and educational
14 level”;

15 (4) in clause (ix), by striking “, and if the lat-
16 ter 2, the amount received”;

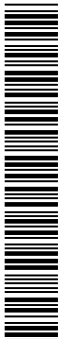
17 (5) in clause (x)—

18 (A) by striking “each type of”; and

19 (B) by inserting before the period “and, if
20 applicable, the reason for receipt of the assist-
21 ance for a total of more than 60 months”;

22 (6) in clause (xi), by striking the subclauses
23 and inserting the following:

24 “(I) Subsidized private sector
25 employment.



1 “(II) Unsubsidized employment.

2 “(III) Public sector employment,
3 supervised work experience, or super-
4 vised community service.

5 “(IV) On-the-job training.

6 “(V) Job search and placement.

7 “(VI) Training.

8 “(VII) Education.

9 “(VIII) Other activities directed
10 at the purposes of this part, as speci-
11 fied in the State plan submitted pur-
12 suant to section 402.”;

13 (7) in clause (xii), by inserting “and progress
14 toward universal engagement” after “participation
15 rates”;

16 (8) in clause (xiii), by striking “type and” be-
17 fore “amount of assistance”;

18 (9) in clause (xvi), by striking subclause (II)
19 and redesignating subclauses (III) through (V) as
20 subclauses (II) through (IV), respectively; and

21 (10) by adding at the end the following:

22 “(xviii) The date the family first re-
23 ceived assistance from the State program
24 on the basis of the most recent application
25 for such assistance.



1 “(xix) Whether a self-sufficiency plan
2 is established for the family in accordance
3 with section 408(b).

4 “(xx) With respect to any child in the
5 family, the marital status of the parents at
6 the birth of the child, and if the parents
7 were not then married, whether the pater-
8 nity of the child has been established.”.

9 (b) USE OF SAMPLES.—Section 411(a)(1)(B) (42
10 U.S.C. 611(a)(1)(B)) is amended—

11 (1) in clause (i)—

12 (A) by striking “a sample” and inserting
13 “samples”; and

14 (B) by inserting before the period “, except
15 that the Secretary may designate core data ele-
16 ments that must be reported on all families”;
17 and

18 (2) in clause (ii), by striking “funded under this
19 part” and inserting “described in subparagraph
20 (A)”.

21 (c) REPORT ON FAMILIES THAT BECOME INELI-
22 GIBLE TO RECEIVE ASSISTANCE.—Section 411(a) (42
23 U.S.C. 611(a)) is amended—

24 (1) by striking paragraph (5);



1 (2) by redesignating paragraph (6) as para-
2 graph (5); and

3 (3) by inserting after paragraph (5) (as so re-
4 designated) the following:

5 “(6) REPORT ON FAMILIES THAT BECOME IN-
6 ELIGIBLE TO RECEIVE ASSISTANCE.—The report re-
7 quired by paragraph (1) for a fiscal quarter shall in-
8 clude for each month in the quarter the number of
9 families and total number of individuals that, during
10 the month, became ineligible to receive assistance
11 under the State program funded under this part
12 (broken down by the number of families that become
13 so ineligible due to earnings, changes in family com-
14 position that result in increased earnings, sanctions,
15 time limits, or other specified reasons).”.

16 (d) REGULATIONS.—Section 411(a)(7) (42 U.S.C.
17 611(a)(7)) is amended—

18 (1) by inserting “and to collect the necessary
19 data” before “with respect to which reports”;

20 (2) by striking “subsection” and inserting “sec-
21 tion”; and

22 (3) by striking “in defining the data elements”
23 and all that follows and inserting “, the National
24 Governors’ Association, the American Public Human
25 Services Association, the National Conference of



1 State Legislatures, and others in defining the data
2 elements.”.

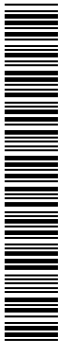
3 (e) ADDITIONAL REPORTS BY STATES.—Section 411
4 (42 U.S.C. 611) is amended—

5 (1) by redesignating subsection (b) as sub-
6 section (e); and

7 (2) by inserting after subsection (a) the fol-
8 lowing:

9 “(b) ANNUAL REPORTS ON PROGRAM CHARACTERIS-
10 TICS.—Not later than 90 days after the end of fiscal year
11 2006 and each succeeding fiscal year, each eligible State
12 shall submit to the Secretary a report on the characteris-
13 ties of the State program funded under this part and other
14 State programs funded with qualified State expenditures
15 (as defined in section 409(a)(7)(B)(i)). The report shall
16 include, with respect to each such program, the program
17 name, a description of program activities, the program
18 purpose, the program eligibility criteria, the sources of
19 program funding, the number of program beneficiaries,
20 sanction policies, and any program work requirements.

21 “(c) MONTHLY REPORTS ON CASELOAD.—Not later
22 than 3 months after the end of a calendar month that
23 begins 1 year or more after the enactment of this sub-
24 section, each eligible State shall submit to the Secretary
25 a report on the number of families and total number of



1 individuals receiving assistance in the calendar month
2 under the State program funded under this part.

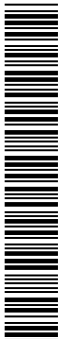
3 “(d) ANNUAL REPORT ON PERFORMANCE IMPROVE-
4 MENT.—Beginning with fiscal year 2007, not later than
5 January 1 of each fiscal year, each eligible State shall sub-
6 mit to the Secretary a report on achievement and improve-
7 ment during the preceding fiscal year under the numerical
8 performance goals and measures under the State program
9 funded under this part with respect to each of the matters
10 described in section 402(a)(1)(A)(v).”.

11 (f) ANNUAL REPORTS TO CONGRESS BY THE SEC-
12 RETARY.—Section 411(e), as so redesignated by sub-
13 section (e) of this section, is amended—

14 (1) in the matter preceding paragraph (1), by
15 striking “and each fiscal year thereafter” and insert-
16 ing “and by July 1 of each fiscal year thereafter”;

17 (2) in paragraph (2), by striking “families ap-
18 plying for assistance,” and by striking the last
19 comma; and

20 (3) in paragraph (3), by inserting “and other
21 programs funded with qualified State expenditures
22 (as defined in section 409(a)(7)(B)(i))” before the
23 semicolon.

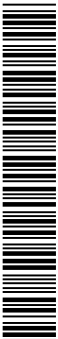


1 (g) INCREASED ANALYSIS OF STATE SINGLE AUDIT
2 REPORTS.—Section 411 (42 U.S.C. 611) is amended by
3 adding at the end the following:

4 “(f) INCREASED ANALYSIS OF STATE SINGLE AUDIT
5 REPORTS.—

6 “(1) IN GENERAL.—Within 3 months after a
7 State submits to the Secretary a report pursuant to
8 section 7502(a)(1)(A) of title 31, United States
9 Code, the Secretary shall analyze the report for the
10 purpose of identifying the extent and nature of prob-
11 lems related to the oversight by the State of non-
12 governmental entities with respect to contracts en-
13 tered into by such entities with the State program
14 funded under this part, and determining what addi-
15 tional actions may be appropriate to help prevent
16 and correct the problems.

17 “(2) INCLUSION OF PROGRAM OVERSIGHT SEC-
18 TION IN ANNUAL REPORT TO THE CONGRESS.—The
19 Secretary shall include in each report under sub-
20 section (e) a section on oversight of State programs
21 funded under this part, including findings on the ex-
22 tent and nature of the problems referred to in para-
23 graph (1), actions taken to resolve the problems, and
24 to the extent the Secretary deems appropriate make



1 recommendations on changes needed to resolve the
2 problems.”.

3 **SEC. 8114. DIRECT FUNDING AND ADMINISTRATION BY IN-**
4 **DIAN TRIBES.**

5 (a) TRIBAL FAMILY ASSISTANCE GRANT.—Section
6 412(a)(1)(A) (42 U.S.C. 612(a)(1)(A)) is amended by
7 striking “1997, 1998, 1999, 2000, 2001, 2002, and 2003”
8 and inserting “2006 through 2010”.

9 (b) GRANTS FOR INDIAN TRIBES THAT RECEIVED
10 JOBS FUNDS.—Section 412(a)(2)(A) (42 U.S.C.
11 612(a)(2)(A)) is amended by striking “1997, 1998, 1999,
12 2000, 2001, 2002, and 2003” and inserting “2006
13 through 2010”.

14 **SEC. 8115. RESEARCH, EVALUATIONS, AND NATIONAL**
15 **STUDIES.**

16 (a) SECRETARY’S FUND FOR RESEARCH, DEM-
17 ONSTRATIONS, AND TECHNICAL ASSISTANCE.—Section
18 413 (42 U.S.C. 613), as amended by section 8112(c) of
19 this Act, is further amended by adding at the end the fol-
20 lowing:

21 “(l) FUNDING FOR RESEARCH, DEMONSTRATIONS,
22 AND TECHNICAL ASSISTANCE.—

23 “(1) APPROPRIATION.—Out of any money in
24 the Treasury of the United States not otherwise ap-
25 propriated, there are appropriated \$102,000,000 for



1 each of fiscal years 2006 through 2010, which shall
2 be available to the Secretary for the purpose of con-
3 ducting and supporting research and demonstration
4 projects by public or private entities, and providing
5 technical assistance to States, Indian tribal organi-
6 zations, and such other entities as the Secretary
7 may specify that are receiving a grant under this
8 part, which shall be expended primarily on activities
9 described in section 403(a)(2)(B), and which shall
10 be in addition to any other funds made available
11 under this part.

12 “(2) SET ASIDE FOR DEMONSTRATION
13 PROJECTS FOR COORDINATION OF PROVISION OF
14 CHILD WELFARE AND TANF SERVICES TO TRIBAL
15 FAMILIES AT RISK OF CHILD ABUSE OR NEGLECT.—

16 “(A) IN GENERAL.—Of the amounts made
17 available under paragraph (1) for a fiscal year,
18 \$2,000,000 shall be awarded on a competitive
19 basis to fund demonstration projects designed
20 to test the effectiveness of tribal governments
21 or tribal consortia in coordinating the provision
22 to tribal families at risk of child abuse or ne-
23 glect of child welfare services and services
24 under tribal programs funded under this part.



1 “(B) USE OF FUNDS.—A grant made to
2 such a project shall be used—

3 “(i) to improve case management for
4 families eligible for assistance from such a
5 tribal program;

6 “(ii) for supportive services and as-
7 sistance to tribal children in out-of-home
8 placements and the tribal families caring
9 for such children, including families who
10 adopt such children; and

11 “(iii) for prevention services and as-
12 sistance to tribal families at risk of child
13 abuse and neglect.

14 “(C) REPORTS.—The Secretary may re-
15 quire a recipient of funds awarded under this
16 paragraph to provide the Secretary with such
17 information as the Secretary deems relevant to
18 enable the Secretary to facilitate and oversee
19 the administration of any project for which
20 funds are provided under this paragraph.”.

21 (b) FUNDING OF STUDIES AND DEMONSTRATIONS.—
22 Section 413(h)(1) (42 U.S.C. 613(h)(1)) is amended in
23 the matter preceding subparagraph (A) by striking “1997
24 through 2002” and inserting “2006 through 2010”.



1 (c) REPORT ON ENFORCEMENT OF CERTAIN AFFIDA-
2 VITS OF SUPPORT AND SPONSOR DEEMING.—Not later
3 than March 31, 2006, the Secretary of Health and Human
4 Services, in consultation with the Attorney General, shall
5 submit to the Congress a report on the enforcement of
6 affidavits of support and sponsor deeming as required by
7 section 421, 422, and 432 of the Personal Responsibility
8 and Work Opportunity Reconciliation Act of 1996.

9 (d) REPORT ON COORDINATION.—Not later than 6
10 months after the date of the enactment of this Act, the
11 Secretary of Health and Human Services and the Sec-
12 retary of Labor shall jointly submit a report to the Con-
13 gress describing common or conflicting data elements,
14 definitions, performance measures, and reporting require-
15 ments in the Workforce Investment Act of 1998 and part
16 A of title IV of the Social Security Act, and, to the degree
17 each Secretary deems appropriate, at the discretion of ei-
18 ther Secretary, any other program administered by the re-
19 spective Secretary, to allow greater coordination between
20 the welfare and workforce development systems.

21 **SEC. 8116. STUDY BY THE CENSUS BUREAU.**

22 (a) IN GENERAL.—Section 414(a) (42 U.S.C.
23 614(a)) is amended to read as follows:

24 “(a) IN GENERAL.—The Bureau of the Census shall
25 implement or enhance a longitudinal survey of program

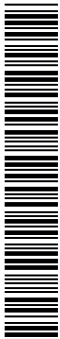


1 participation, developed in consultation with the Secretary
2 and made available to interested parties, to allow for the
3 assessment of the outcomes of continued welfare reform
4 on the economic and child well-being of low-income fami-
5 lies with children, including those who received assistance
6 or services from a State program funded under this part,
7 and, to the extent possible, shall provide State representa-
8 tive samples. The content of the survey should include
9 such information as may be necessary to examine the
10 issues of out-of-wedlock childbearing, marriage, welfare
11 dependency and compliance with work requirements, the
12 beginning and ending of spells of assistance, work, earn-
13 ings and employment stability, and the well-being of chil-
14 dren.”.

15 (b) APPROPRIATION.—Section 414(b) (42 U.S.C.
16 614(b)) is amended—

17 (1) by striking “1996,” and all that follows
18 through “2003” and inserting “2006 through
19 2010”; and

20 (2) by adding at the end the following: “Funds
21 appropriated under this subsection shall remain
22 available through fiscal year 2010 to carry out sub-
23 section (a).”.



1 **SEC. 8117. DEFINITION OF ASSISTANCE.**

2 (a) IN GENERAL.—Section 419 (42 U.S.C. 619) is
3 amended by adding at the end the following:

4 “(6) ASSISTANCE.—

5 “(A) IN GENERAL.—The term ‘assistance’
6 means payment, by cash, voucher, or other
7 means, to or for an individual or family for the
8 purpose of meeting a subsistence need of the in-
9 dividual or family (including food, clothing,
10 shelter, and related items, but not including
11 costs of transportation or child care).

12 “(B) EXCEPTION.—The term ‘assistance’
13 does not include a payment described in sub-
14 paragraph (A) to or for an individual or family
15 on a short-term, nonrecurring basis (as defined
16 by the State in accordance with regulations pre-
17 scribed by the Secretary).”.

18 (b) CONFORMING AMENDMENTS.—

19 (1) Section 404(a)(1) (42 U.S.C. 604(a)(1)) is
20 amended by striking “assistance” and inserting
21 “aid”.

22 (2) Section 404(f) (42 U.S.C. 604(f)) is amend-
23 ed by striking “assistance” and inserting “benefits
24 or services”.



1 (3) Section 408(a)(5)(B)(i) (42 U.S.C.
2 608(a)(5)(B)(i)) is amended in the heading by strik-
3 ing “ASSISTANCE” and inserting “AID”.

4 (4) Section 413(d)(2) (42 U.S.C. 613(d)(2)) is
5 amended by striking “assistance” and inserting
6 “aid”.

7 **SEC. 8118. TECHNICAL CORRECTIONS.**

8 (a) Section 409(c)(2) (42 U.S.C. 609(c)(2)) is
9 amended by inserting a comma after “appropriate”.

10 (b) Section 411(a)(1)(A)(ii)(III) (42 U.S.C.
11 611(a)(1)(A)(ii)(III)) is amended by striking the last close
12 parenthesis.

13 (c) Section 413(j)(2)(A) (42 U.S.C. 613(j)(2)(A)) is
14 amended by striking “section” and inserting “sections”.

15 (d)(1) Section 413 (42 U.S.C. 613) is amended by
16 striking subsection (g) and redesignating subsections (h)
17 through (j) and subsections (k) and (l) (as added by sec-
18 tions 8112(c) and 8115(a) of this Act, respectively) as
19 subsections (g) through (k), respectively.

20 (2) Each of the following provisions is amended by
21 striking “413(j)” and inserting “413(i)”:

22 (A) Section 403(a)(5)(A)(ii)(III) (42 U.S.C.
23 603(a)(5)(A)(ii)(III)).

24 (B) Section 403(a)(5)(F) (42 U.S.C.
25 603(a)(5)(F)).



1 (C) Section 403(a)(5)(G)(ii) (42 U.S.C.
2 603(a)(5)(G)(ii)).

3 (D) Section 412(a)(3)(B)(iv) (42 U.S.C.
4 612(a)(3)(B)(iv)).

5 **SEC. 8119. FATHERHOOD PROGRAM.**

6 (a) SHORT TITLE.—This section may be cited as the
7 “Promotion and Support of Responsible Fatherhood and
8 Healthy Marriage Act of 2005”.

9 (b) FATHERHOOD PROGRAM.—

10 (1) IN GENERAL.—Title I of the Personal Re-
11 sponsibility and Work Opportunity Reconciliation
12 Act of 1996 (Public Law 104–193) is amended by
13 adding at the end the following:

14 **“SEC. 117. FATHERHOOD PROGRAM.**

15 “(a) IN GENERAL.—Title IV (42 U.S.C. 601–679b)
16 is amended by inserting after part B the following:

17 **‘PART C—FATHERHOOD PROGRAM**

18 **‘SEC. 441. FINDINGS AND PURPOSES.**

19 ‘(a) FINDINGS.—The Congress finds that there is
20 substantial evidence strongly indicating the urgent need
21 to promote and support involved, committed, and respon-
22 sible fatherhood, and to encourage and support healthy
23 marriages between parents raising children, including data
24 demonstrating the following:



1 ‘(1) In approximately 84 percent of cases where
2 a parent is absent, that parent is the father.

3 ‘(2) If current trends continue, half of all chil-
4 dren born today will live apart from one of their par-
5 ents, usually their father, at some point before they
6 turn 18.

7 ‘(3) Where families (whether intact or with a
8 parent absent) are living in poverty, a significant
9 factor is the father’s lack of job skills.

10 ‘(4) Committed and responsible fathering dur-
11 ing infancy and early childhood contributes to the
12 development of emotional security, curiosity, and
13 math and verbal skills.

14 ‘(5) An estimated 19,400,000 children (27 per-
15 cent) live apart from their biological father.

16 ‘(6) Forty percent of children under age 18 not
17 living with their biological father had not seen their
18 father even once in the last 12 months, according to
19 national survey data.

20 ‘(b) PURPOSES.—The purposes of this part are:

21 ‘(1) To provide for projects and activities by
22 public entities and by nonprofit community entities,
23 including religious organizations, designed to test
24 promising approaches to accomplishing the following
25 objectives:



1 ‘(A) Promoting responsible, caring, and ef-
2 fective parenting through counseling, men-
3 toring, and parenting education, dissemination
4 of educational materials and information on
5 parenting skills, encouragement of positive fa-
6 ther involvement, including the positive involve-
7 ment of nonresident fathers, and other meth-
8 ods.

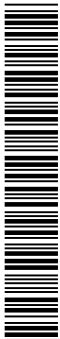
9 ‘(B) Enhancing the abilities and commit-
10 ment of unemployed or low-income fathers to
11 provide material support for their families and
12 to avoid or leave welfare programs by assisting
13 them to take full advantage of education, job
14 training, and job search programs, to improve
15 work habits and work skills, to secure career
16 advancement by activities such as outreach and
17 information dissemination, coordination, as ap-
18 propriate, with employment services and job
19 training programs, including the One-Stop de-
20 livery system established under title I of the
21 Workforce Investment Act of 1998, encourage-
22 ment and support of timely payment of current
23 child support and regular payment toward past
24 due child support obligations in appropriate
25 cases, and other methods.



1 ‘(C) Improving fathers’ ability to effec-
2 tively manage family business affairs by means
3 such as education, counseling, and mentoring in
4 matters including household management,
5 budgeting, banking, and handling of financial
6 transactions, time management, and home
7 maintenance.

8 ‘(D) Encouraging and supporting healthy
9 marriages and married fatherhood through such
10 activities as premarital education, including the
11 use of premarital inventories, marriage prepara-
12 tion programs, skills-based marriage education
13 programs, marital therapy, couples counseling,
14 divorce education and reduction programs, di-
15 vorce mediation and counseling, relationship
16 skills enhancement programs, including those
17 designed to reduce child abuse and domestic vi-
18 olence, and dissemination of information about
19 the benefits of marriage for both parents and
20 children.

21 ‘(2) Through the projects and activities de-
22 scribed in paragraph (1), to improve outcomes for
23 children with respect to measures such as increased
24 family income and economic security, improved
25 school performance, better health, improved emo-



1 tional and behavioral stability and social adjustment,
2 and reduced risk of delinquency, crime, substance
3 abuse, child abuse and neglect, teen sexual activity,
4 and teen suicide.

5 ‘(3) To evaluate the effectiveness of various ap-
6 proaches and to disseminate findings concerning out-
7 comes and other information in order to encourage
8 and facilitate the replication of effective approaches
9 to accomplishing these objectives.

10 **‘SEC. 442. DEFINITIONS.**

11 ‘In this part, the terms “Indian tribe” and “tribal
12 organization” have the meanings given them in sub-
13 sections (e) and (l), respectively, of section 4 of the Indian
14 Self-Determination and Education Assistance Act.

15 **‘SEC. 443. COMPETITIVE GRANTS FOR SERVICE PROJECTS.**

16 ‘(a) IN GENERAL.—The Secretary may make grants
17 for fiscal years 2006 through 2010 to public and nonprofit
18 community entities, including religious organizations, and
19 to Indian tribes and tribal organizations, for demonstra-
20 tion service projects and activities designed to test the ef-
21 fectiveness of various approaches to accomplish the objec-
22 tives specified in section 441(b)(1).

23 ‘(b) ELIGIBILITY CRITERIA FOR FULL SERVICE
24 GRANTS.—In order to be eligible for a grant under this
25 section, except as specified in subsection (c), an entity



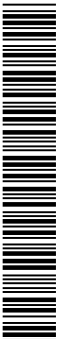
1 shall submit an application to the Secretary containing the
2 following:

3 ‘(1) PROJECT DESCRIPTION.—A statement
4 including—

5 ‘(A) a description of the project and how
6 it will be carried out, including the geographical
7 area to be covered and the number and charac-
8 teristics of clients to be served, and how it will
9 address each of the 4 objectives specified in sec-
10 tion 441(b)(1); and

11 ‘(B) a description of the methods to be
12 used by the entity or its contractor to assess
13 the extent to which the project was successful
14 in accomplishing its specific objectives and the
15 general objectives specified in section 441(b)(1).

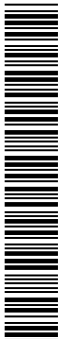
16 ‘(2) EXPERIENCE AND QUALIFICATIONS.—A
17 demonstration of ability to carry out the project, by
18 means such as demonstration of experience in suc-
19 cessfully carrying out projects of similar design and
20 scope, and such other information as the Secretary
21 may find necessary to demonstrate the entity’s ca-
22 pacity to carry out the project, including the entity’s
23 ability to provide the non-Federal share of project
24 resources.



1 ‘(3) ADDRESSING CHILD ABUSE AND NEGLECT
2 AND DOMESTIC VIOLENCE.—A description of how
3 the entity will assess for the presence of, and inter-
4 vene to resolve, domestic violence and child abuse
5 and neglect, including how the entity will coordinate
6 with State and local child protective service and do-
7 mestic violence programs.

8 ‘(4) ADDRESSING CONCERNS RELATING TO
9 SUBSTANCE ABUSE AND SEXUAL ACTIVITY.—A com-
10 mitment to make available to each individual partici-
11 pating in the project education about alcohol, to-
12 bacco, and other drugs, and about the health risks
13 associated with abusing such substances, and infor-
14 mation about diseases and conditions transmitted
15 through substance abuse and sexual contact, includ-
16 ing HIV/AIDS, and to coordinate with providers of
17 services addressing such problems, as appropriate.

18 ‘(5) COORDINATION WITH SPECIFIED PRO-
19 GRAMS.—An undertaking to coordinate, as appro-
20 priate, with State and local entities responsible for
21 the programs under parts A, B, and D of this title,
22 including programs under title I of the Workforce
23 Investment Act of 1998 (including the One-Stop de-
24 livery system), and such other programs as the Sec-
25 retary may require.



1 ‘(6) RECORDS, REPORTS, AND AUDITS.—An
2 agreement to maintain such records, make such re-
3 ports, and cooperate with such reviews or audits as
4 the Secretary may find necessary for purposes of
5 oversight of project activities and expenditures.

6 ‘(7) SELF-INITIATED EVALUATION.—If the enti-
7 ty elects to contract for independent evaluation of
8 the project (part or all of the cost of which may be
9 paid for using grant funds), a commitment to sub-
10 mit to the Secretary a copy of the evaluation report
11 within 30 days after completion of the report and
12 not more than 1 year after completion of the project.

13 ‘(8) COOPERATION WITH SECRETARY’S OVER-
14 SIGHT AND EVALUATION.—An agreement to cooper-
15 ate with the Secretary’s evaluation of projects as-
16 sisted under this section, by means including ran-
17 dom assignment of clients to service recipient and
18 control groups, if determined by the Secretary to be
19 appropriate, and affording the Secretary access to
20 the project and to project-related records and docu-
21 ments, staff, and clients.

22 ‘(c) ELIGIBILITY CRITERIA FOR LIMITED PURPOSE
23 GRANTS.—In order to be eligible for a grant under this
24 section in an amount under \$25,000 per fiscal year, an



1 entity shall submit an application to the Secretary con-
2 taining the following:

3 ‘(1) PROJECT DESCRIPTION.—A description of
4 the project and how it will be carried out, including
5 the number and characteristics of clients to be
6 served, the proposed duration of the project, and
7 how it will address at least 1 of the 4 objectives
8 specified in section 441(b)(1).

9 ‘(2) QUALIFICATIONS.—Such information as
10 the Secretary may require as to the capacity of the
11 entity to carry out the project, including any pre-
12 vious experience with similar activities.

13 ‘(3) COORDINATION WITH RELATED PRO-
14 GRAMS.—As required by the Secretary in appro-
15 priate cases, an undertaking to coordinate and co-
16 operate with State and local entities responsible for
17 specific programs relating to the objectives of the
18 project including, as appropriate, jobs programs and
19 programs serving children and families.

20 ‘(4) RECORDS, REPORTS, AND AUDITS.—An
21 agreement to maintain such records, make such re-
22 ports, and cooperate with such reviews or audits as
23 the Secretary may find necessary for purposes of
24 oversight of project activities and expenditures.



1 ‘(5) COOPERATION WITH SECRETARY’S OVER-
2 SIGHT AND EVALUATION.—An agreement to cooper-
3 ate with the Secretary’s evaluation of projects as-
4 sisted under this section, by means including afford-
5 ing the Secretary access to the project and to
6 project-related records and documents, staff, and cli-
7 ents.

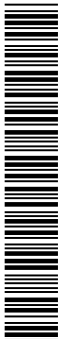
8 ‘(d) CONSIDERATIONS IN AWARDING GRANTS.—

9 ‘(1) DIVERSITY OF PROJECTS.—In awarding
10 grants under this section, the Secretary shall seek to
11 achieve a balance among entities of differing sizes,
12 entities in differing geographic areas, entities in
13 urban and in rural areas, and entities employing dif-
14 fering methods of achieving the purposes of this sec-
15 tion, including working with the State agency re-
16 sponsible for the administration of part D to help fa-
17 thers satisfy child support arrearage obligations.

18 ‘(2) PREFERENCE FOR PROJECTS SERVING
19 LOW-INCOME FATHERS.—In awarding grants under
20 this section, the Secretary may give preference to
21 applications for projects in which a majority of the
22 clients to be served are low-income fathers.

23 ‘(e) FEDERAL SHARE.—

24 ‘(1) IN GENERAL.—Grants for a project under
25 this section for a fiscal year shall be available for a



1 share of the cost of such project in such fiscal year
2 equal to—

3 ‘(A) up to 80 percent (or up to 90 percent,
4 if the entity demonstrates to the Secretary’s
5 satisfaction circumstances limiting the entity’s
6 ability to secure non-Federal resources) in the
7 case of a project under subsection (b); and

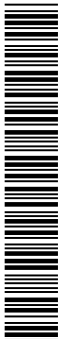
8 ‘(B) up to 100 percent, in the case of a
9 project under subsection (c).

10 ‘(2) NON-FEDERAL SHARE.—The non-Federal
11 share may be in cash or in kind. In determining the
12 amount of the non-Federal share, the Secretary may
13 attribute fair market value to goods, services, and
14 facilities contributed from non-Federal sources.

15 **‘SEC. 444. MULTICITY, MULTISTATE DEMONSTRATION**
16 **PROJECTS.**

17 ‘(a) IN GENERAL.—The Secretary may make grants
18 under this section for fiscal years 2006 through 2010 to
19 eligible entities (as specified in subsection (b)) for 2
20 multicity, multistate projects demonstrating approaches to
21 achieving the objectives specified in section 441(b)(1). One
22 of the projects shall test the use of married couples to
23 deliver program services.

24 ‘(b) ELIGIBLE ENTITIES.—An entity eligible for a
25 grant under this section must be a national nonprofit fa-



1 therhood promotion organization that meets the following
2 requirements:

3 ‘(1) EXPERIENCE WITH FATHERHOOD PRO-
4 GRAMS.—The organization must have substantial ex-
5 perience in designing and successfully conducting
6 programs that meet the purposes described in sec-
7 tion 441.

8 ‘(2) EXPERIENCE WITH MULTICITY,
9 MULTISTATE PROGRAMS AND GOVERNMENT COORDI-
10 NATION.—The organization must have experience in
11 simultaneously conducting such programs in more
12 than 1 major metropolitan area in more than 1
13 State and in coordinating such programs, where ap-
14 propriate, with State and local government agencies
15 and private, nonprofit agencies (including commu-
16 nity-based and religious organizations), including
17 State or local agencies responsible for child support
18 enforcement and workforce development.

19 ‘(c) APPLICATION REQUIREMENTS.—In order to be
20 eligible for a grant under this section, an entity must sub-
21 mit to the Secretary an application that includes the fol-
22 lowing:

23 ‘(1) QUALIFICATIONS.—



1 ‘(A) ELIGIBLE ENTITY.—A demonstration
2 that the entity meets the requirements of sub-
3 section (b).

4 ‘(B) OTHER.—Such other information as
5 the Secretary may find necessary to dem-
6 onstrate the entity’s capacity to carry out the
7 project, including the entity’s ability to provide
8 the non-Federal share of project resources.

9 ‘(2) PROJECT DESCRIPTION.—A description of
10 and commitments concerning the project design, in-
11 cluding the following:

12 ‘(A) IN GENERAL.—A detailed description
13 of the proposed project design and how it will
14 be carried out, which shall—

15 ‘(i) provide for the project to be con-
16 ducted in at least 3 major metropolitan
17 areas;

18 ‘(ii) state how it will address each of
19 the 4 objectives specified in section
20 441(b)(1);

21 ‘(iii) demonstrate that there is a suffi-
22 cient number of potential clients to allow
23 for the random selection of individuals to
24 participate in the project and for compari-
25 sons with appropriate control groups com-

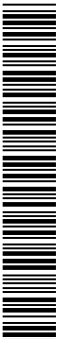


1 posed of individuals who have not partici-
2 pated in such projects; and

3 ‘(iv) demonstrate that the project is
4 designed to direct a majority of project re-
5 sources to activities serving low-income fa-
6 thers (but the project need not make serv-
7 ices available on a means-tested basis).

8 ‘(B) OVERSIGHT, EVALUATION, AND AD-
9 JUSTMENT COMPONENT.—An agreement that
10 the entity—

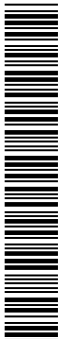
11 ‘(i) in consultation with the evaluator
12 selected pursuant to section 445, and as
13 required by the Secretary, will modify the
14 project design, initially and (if necessary)
15 subsequently throughout the duration of
16 the project, in order to facilitate ongoing
17 and final oversight and evaluation of
18 project operation and outcomes (by means
19 including, to the maximum extent feasible,
20 random assignment of clients to service re-
21 cipient and control groups), and to provide
22 for mid-course adjustments in project de-
23 sign indicated by interim evaluations;



1 ‘(ii) will submit to the Secretary re-
2 vised descriptions of the project design as
3 modified in accordance with clause (i); and
4 ‘(iii) will cooperate fully with the Sec-
5 retary’s ongoing oversight and ongoing and
6 final evaluation of the project, by means
7 including affording the Secretary access to
8 the project and to project-related records
9 and documents, staff, and clients.

10 ‘(3) ADDRESSING CHILD ABUSE AND NEGLECT
11 AND DOMESTIC VIOLENCE.—A description of how
12 the entity will assess for the presence of, and inter-
13 vene to resolve, domestic violence and child abuse
14 and neglect, including how the entity will coordinate
15 with State and local child protective service and do-
16 mestic violence programs.

17 ‘(4) ADDRESSING CONCERNS RELATING TO
18 SUBSTANCE ABUSE AND SEXUAL ACTIVITY.—A com-
19 mitment to make available to each individual partici-
20 pating in the project education about alcohol, to-
21 bacco, and other drugs, and about the health risks
22 associated with abusing such substances, and infor-
23 mation about diseases and conditions transmitted
24 through substance abuse and sexual contact, includ-



1 ing HIV/AIDS, and to coordinate with providers of
2 services addressing such problems, as appropriate.

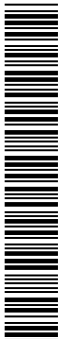
3 ‘(5) COORDINATION WITH SPECIFIED PRO-
4 GRAMS.—An undertaking to coordinate, as appro-
5 priate, with State and local entities responsible for
6 the programs funded under parts A, B, and D of
7 this title, programs under title I of the Workforce
8 Investment Act of 1998 (including the One-Stop de-
9 livery system), and such other programs as the Sec-
10 retary may require.

11 ‘(6) RECORDS, REPORTS, AND AUDITS.—An
12 agreement to maintain such records, make such re-
13 ports, and cooperate with such reviews or audits (in
14 addition to those required under the preceding provi-
15 sions of paragraph (2)) as the Secretary may find
16 necessary for purposes of oversight of project activi-
17 ties and expenditures.

18 ‘(d) FEDERAL SHARE.—

19 ‘(1) IN GENERAL.—Grants for a project under
20 this section for a fiscal year shall be available for up
21 to 80 percent of the cost of such project in such fis-
22 cal year.

23 ‘(2) NON-FEDERAL SHARE.—The non-Federal
24 share may be in cash or in kind. In determining the
25 amount of the non-Federal share, the Secretary may



1 attribute fair market value to goods, services, and
2 facilities contributed from non-Federal sources.

3 **‘SEC. 445. EVALUATION.**

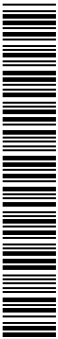
4 ‘(a) IN GENERAL.—The Secretary, directly or by con-
5 tract or cooperative agreement, shall evaluate the effec-
6 tiveness of service projects funded under sections 443 and
7 444 from the standpoint of the purposes specified in sec-
8 tion 441(b)(1).

9 ‘(b) EVALUATION METHODOLOGY.—Evaluations
10 under this section shall—

11 ‘(1) include, to the maximum extent feasible,
12 random assignment of clients to service delivery and
13 control groups and other appropriate comparisons of
14 groups of individuals receiving and not receiving
15 services;

16 ‘(2) describe and measure the effectiveness of
17 the projects in achieving their specific project goals;
18 and

19 ‘(3) describe and assess, as appropriate, the im-
20 pact of such projects on marriage, parenting, domes-
21 tic violence, child abuse and neglect, money manage-
22 ment, employment and earnings, payment of child
23 support, and child well-being, health, and education.



1 ‘(c) EVALUATION REPORTS.—The Secretary shall
2 publish the following reports on the results of the evalua-
3 tion:

4 ‘(1) An implementation evaluation report cov-
5 ering the first 24 months of the activities under this
6 part to be completed by 36 months after initiation
7 of such activities.

8 ‘(2) A final report on the evaluation to be com-
9 pleted by September 30, 2013.

10 **‘SEC. 446. PROJECTS OF NATIONAL SIGNIFICANCE.**

11 ‘The Secretary is authorized, by grant, contract, or
12 cooperative agreement, to carry out projects and activities
13 of national significance relating to fatherhood promotion,
14 including—

15 ‘(1) COLLECTION AND DISSEMINATION OF IN-
16 FORMATION.—Assisting States, communities, and
17 private entities, including religious organizations, in
18 efforts to promote and support marriage and respon-
19 sible fatherhood by collecting, evaluating, developing,
20 and making available (through the Internet and by
21 other means) to all interested parties information re-
22 garding approaches to accomplishing the objectives
23 specified in section 441(b)(1).

24 ‘(2) MEDIA CAMPAIGN.—Developing, promoting,
25 and distributing to interested States, local govern-



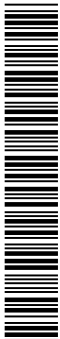
1 ments, public agencies, and private nonprofit organi-
2 zations, including charitable and religious organiza-
3 tions, a media campaign that promotes and encour-
4 ages involved, committed, and responsible fatherhood
5 and married fatherhood.

6 ‘(3) TECHNICAL ASSISTANCE.—Providing tech-
7 nical assistance, including consultation and training,
8 to public and private entities, including community
9 organizations and faith-based organizations, in the
10 implementation of local fatherhood promotion pro-
11 grams.

12 ‘(4) RESEARCH.—Conducting research related
13 to the purposes of this part.

14 **‘SEC. 447. NONDISCRIMINATION.**

15 ‘The projects and activities assisted under this part
16 shall be available on the same basis to all fathers and ex-
17 pectant fathers able to benefit from such projects and ac-
18 tivities, including married and unmarried fathers and cus-
19 todial and noncustodial fathers, with particular attention
20 to low-income fathers, and to mothers and expectant
21 mothers on the same basis as to fathers.



1 **‘SEC. 448. AUTHORIZATION OF APPROPRIATIONS; RES-**
2 **ERVATION FOR CERTAIN PURPOSE.**

3 ‘(a) AUTHORIZATION.—There are authorized to be
4 appropriated \$20,000,000 for each of fiscal years 2006
5 through 2010 to carry out the provisions of this part.

6 ‘(b) RESERVATION.—Of the amount appropriated
7 under this section for each fiscal year, not more than 15
8 percent shall be available for the costs of the multicounty,
9 multicounty, multistate demonstration projects under sec-
10 tion 444, evaluations under section 445, and projects of
11 national significance under section 446.’.

12 “(b) INAPPLICABILITY OF EFFECTIVE DATE PROVI-
13 SIONS.—Section 116 shall not apply to the amendment
14 made by subsection (a) of this section.”.

15 (2) CLERICAL AMENDMENT.—Section 2 of such
16 Act is amended in the table of contents by inserting
17 after the item relating to section 116 the following
18 new item:

“117. Fatherhood program.”.

19 **SEC. 8120. STATE OPTION TO MAKE TANF PROGRAMS MAN-**
20 **DATORY PARTNERS WITH ONE-STOP EMPLOY-**
21 **MENT TRAINING CENTERS.**

22 Section 408 of the Social Security Act (42 U.S.C.
23 608) is amended by adding at the end the following:

24 “(h) STATE OPTION TO MAKE TANF PROGRAMS
25 MANDATORY PARTNERS WITH ONE-STOP EMPLOYMENT



1 TRAINING CENTERS.—For purposes of section 121(b) of
2 the Workforce Investment Act of 1998, a State program
3 funded under part A of title IV of the Social Security Act
4 shall be considered a program referred to in paragraph
5 (1)(B) of such section, unless, after the date of the enact-
6 ment of this subsection, the Governor of the State notifies
7 the Secretaries of Health and Human Services and Labor
8 in writing of the decision of the Governor not to make
9 the State program a mandatory partner.”.

10 **SEC. 8121. SENSE OF THE CONGRESS.**

11 It is the sense of the Congress that a State welfare-
12 to-work program should include a mentoring program.

13 **SEC. 8122. DRUG TESTING OF APPLICANTS FOR AND RE-**
14 **CIPIENTS OF ASSISTANCE.**

15 (a) REQUIREMENT.—Section 408(a) (42 U.S.C.
16 608(a)) is amended by adding at the end the following:

17 “(12) DRUG TESTING REQUIREMENTS.—A
18 State to which a grant is made under section 403(a)
19 for a fiscal year shall—

20 “(A) require an individual who has applied
21 for, or is a recipient of, assistance from the
22 State program funded under this part to under-
23 go a physical test designed to detect the use by
24 the individual of any controlled substance (as
25 defined in section 102(6) of the Controlled Sub-



1 stances Act) if the State has reason to believe
2 that the person has unlawfully used such a sub-
3 stance recently;

4 “(B) if a test administered pursuant to
5 this paragraph indicates that an individual has
6 so used such a substance recently, or if the
7 State otherwise determines (on the basis of
8 such indicators as the State may establish) that
9 an individual is likely to have so used such a
10 substance recently—

11 “(i) ensure that the self-sufficiency
12 plan developed under section 408(b) with
13 respect to the individual addresses the use
14 of the substance;

15 “(ii) suspend the provision of cash as-
16 sistance under the program to the family
17 of the individual until a subsequent such
18 test indicates that the individual has not
19 been using the substance; and

20 “(iii) require, as a condition of pro-
21 viding any benefit under the program to
22 the family of the individual, that the indi-
23 vidual comply with the self-sufficiency
24 plan, including the provisions of the plan
25 that address the use of the substance, and



1 undergo additional such tests every 30 or
2 60 days, as the State deems appropriate;
3 and

4 “(C) terminate for 3 years the participa-
5 tion in the program of the family of any indi-
6 vidual who tests positive for such use of such
7 a substance in such number of consecutive tests
8 administered pursuant to this paragraph (which
9 shall be not less than 3 and not more than 6)
10 as the State deems appropriate.”.

11 (b) PENALTY FOR NONCOMPLIANCE.—Section
12 409(a) (42 U.S.C. 609(a)) is amended by adding at the
13 end the following:

14 “(15) PENALTY FOR FAILURE TO COMPLY WITH
15 DRUG TESTING REQUIREMENTS.—If the Secretary
16 determines that a State has not complied with sec-
17 tion 408(a)(12) during a fiscal year, the Secretary
18 shall reduce the grant payable to the State under
19 section 403(a)(1) for the immediately succeeding fis-
20 cal year by an amount equal to not less than 5 per-
21 cent and not more than 10 percent of the State fam-
22 ily assistance grant, as the Secretary deems appro-
23 priate based on the frequency and severity of the
24 noncompliance.”.



1 **Subtitle B—Child Care**

2 **SEC. 8201. ENTITLEMENT FUNDING.**

3 Section 418(a)(3) (42 U.S.C. 618(a)(3)) is
4 amended—

5 (1) by striking “and” at the end of subpara-
6 graph (E);

7 (2) by striking the period at the end of sub-
8 paragraph (F) and inserting a semicolon; and

9 (3) by adding at the end the following:

10 “(G) \$2,717,000,000 for fiscal year 2006;

11 “(H) \$2,767,000,000 for fiscal year 2007;

12 “(I) \$2,817,000,000 for fiscal year 2008;

13 “(J) \$2,867,000,000 for fiscal year 2009;

14 and

15 “(K) \$2,917,000,000 for fiscal year

16 2010.”.

17 **Subtitle C—Child Support**

18 **SEC. 8301. FEDERAL MATCHING FUNDS FOR LIMITED PASS**

19 **THROUGH OF CHILD SUPPORT PAYMENTS TO**

20 **FAMILIES RECEIVING TANF.**

21 (a) IN GENERAL.—Section 457(a) (42 U.S.C.
22 657(a)) is amended—

23 (1) in paragraph (1)(A), by inserting “subject
24 to paragraph (7)” before the semicolon; and

25 (2) by adding at the end the following:



1 “(7) FEDERAL MATCHING FUNDS FOR LIMITED
2 PASS THROUGH OF CHILD SUPPORT PAYMENTS TO
3 FAMILIES RECEIVING TANF.—Notwithstanding para-
4 graph (1), a State shall not be required to pay to
5 the Federal Government the Federal share of an
6 amount collected during a month on behalf of a fam-
7 ily that is a recipient of assistance under the State
8 program funded under part A, to the extent that—

9 “(A) the State distributes the amount to
10 the family;

11 “(B) the total of the amounts so distrib-
12 uted to the family during the month—

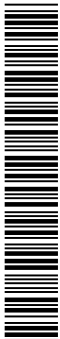
13 “(i) exceeds the amount (if any) that,
14 as of December 31, 2001, was required
15 under State law to be distributed to a fam-
16 ily under paragraph (1)(B); and

17 “(ii) does not exceed the greater of—

18 “(I) \$100; or

19 “(II) \$50 plus the amount de-
20 scribed in clause (i); and

21 “(C) the amount is disregarded in deter-
22 mining the amount and type of assistance pro-
23 vided to the family under the State program
24 funded under part A.”.



1 (b) APPLICABILITY.—The amendments made by sub-
2 section (a) shall apply to amounts distributed on or after
3 October 1, 2008.

4 **SEC. 8302. STATE OPTION TO PASS THROUGH ALL CHILD**
5 **SUPPORT PAYMENTS TO FAMILIES THAT**
6 **FORMERLY RECEIVED TANF.**

7 (a) IN GENERAL.—Section 457(a) (42 U.S.C.
8 657(a)), as amended by section 8301(a) of this Act, is
9 amended—

10 (1) in paragraph (2)(B), in the matter pre-
11 ceding clause (i), by inserting “, except as provided
12 in paragraph (8),” after “shall”; and

13 (2) by adding at the end the following:

14 “(8) STATE OPTION TO PASS THROUGH ALL
15 CHILD SUPPORT PAYMENTS TO FAMILIES THAT FOR-
16 MERLY RECEIVED TANF.—In lieu of applying para-
17 graph (2) to any family described in paragraph (2),
18 a State may distribute to the family any amount col-
19 lected during a month on behalf of the family.”.

20 (b) APPLICABILITY.—The amendments made by sub-
21 section (a) shall apply to amounts distributed on or after
22 October 1, 2008.



1 **SEC. 8303. MANDATORY REVIEW AND ADJUSTMENT OF**
2 **CHILD SUPPORT ORDERS FOR FAMILIES RE-**
3 **CEIVING TANF.**

4 (a) IN GENERAL.—Section 466(a)(10)(A)(i) (42
5 U.S.C. 666(a)(10)(A)(i)) is amended—

6 (1) by striking “parent, or,” and inserting
7 “parent or”; and

8 (2) by striking “upon the request of the State
9 agency under the State plan or of either parent,”.

10 (b) EFFECTIVE DATE.—The amendments made by
11 subsection (a) shall take effect on October 1, 2007.

12 **SEC. 8304. MANDATORY FEE FOR SUCCESSFUL CHILD SUP-**
13 **PORT COLLECTION FOR FAMILY THAT HAS**
14 **NEVER RECEIVED TANF.**

15 (a) IN GENERAL.—Section 454(6)(B) (42 U.S.C.
16 654(6)(B)) is amended—

17 (1) by inserting “(i)” after “(B)”;

18 (2) by redesignating clauses (i) and (ii) as sub-
19 clauses (I) and (II), respectively;

20 (3) by adding “and” after the semicolon; and

21 (4) by adding after and below the end the fol-
22 lowing new clause:

23 “(ii) in the case of an individual who has
24 never received assistance under a State pro-
25 gram funded under part A and for whom the
26 State has collected at least \$500 of support, the



1 State shall impose an annual fee of \$25 for
2 each case in which services are furnished, which
3 shall be retained by the State from support col-
4 lected on behalf of the individual (but not from
5 the 1st \$500 so collected), paid by the indi-
6 vidual applying for the services, recovered from
7 the absent parent, or paid by the State out of
8 its own funds (the payment of which from State
9 funds shall not be considered as an administra-
10 tive cost of the State for the operation of the
11 plan, and such fees shall be considered income
12 to the program);”.

13 (b) CONFORMING AMENDMENT.—Section 457(a)(3)
14 (42 U.S.C. 657(a)(3)) is amended to read as follows:

15 “(3) FAMILIES THAT NEVER RECEIVED ASSIST-
16 ANCE.—In the case of any other family, the State
17 shall distribute to the family the portion of the
18 amount so collected that remains after withholding
19 any fee pursuant to section 454(6)(B)(ii).”.

20 (c) EFFECTIVE DATE.—The amendments made by
21 this section shall take effect on October 1, 2006.

22 **SEC. 8305. REPORT ON UNDISTRIBUTED CHILD SUPPORT**
23 **PAYMENTS.**

24 Not later than 6 months after the date of the enact-
25 ment of this Act, the Secretary of Health and Human



1 Services shall submit to the Committee on Ways and
2 Means of the House of Representatives and the Committee
3 on Finance of the Senate a report on the procedures that
4 the States use generally to locate custodial parents for
5 whom child support has been collected but not yet distrib-
6 uted. The report shall include an estimate of the total
7 amount of undistributed child support and the average
8 length of time it takes undistributed child support to be
9 distributed. To the extent the Secretary deems appro-
10 priate, the Secretary shall include in the report rec-
11 ommendations as to whether additional procedures should
12 be established at the State or Federal level to expedite
13 the payment of undistributed child support.

14 **SEC. 8306. DECREASE IN AMOUNT OF CHILD SUPPORT AR-**
15 **REARAGE TRIGGERING PASSPORT DENIAL.**

16 (a) IN GENERAL.—Section 452(k)(1) (42 U.S.C.
17 652(k)(1)) is amended by striking “\$5,000” and inserting
18 “\$2,500”.

19 (b) CONFORMING AMENDMENT.—Section 454(31)
20 (42 U.S.C. 654(31)) is amended by striking “\$5,000” and
21 inserting “\$2,500”.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall take effect on October 1, 2006.



1 **SEC. 8307. USE OF TAX REFUND INTERCEPT PROGRAM TO**
2 **COLLECT PAST-DUE CHILD SUPPORT ON BE-**
3 **HALF OF CHILDREN WHO ARE NOT MINORS.**

4 (a) IN GENERAL.—Section 464 (42 U.S.C. 664) is
5 amended—

6 (1) in subsection (a)(2)(A), by striking “(as
7 that term is defined for purposes of this paragraph
8 under subsection (c))”; and

9 (2) in subsection (c)—

10 (A) in paragraph (1)—

11 (i) by striking “(1) Except as pro-
12 vided in paragraph (2), as used in” and in-
13 serting “In”; and

14 (ii) by inserting “(whether or not a
15 minor)” after “a child” each place it ap-
16 pears; and

17 (B) by striking paragraphs (2) and (3).

18 (b) EFFECTIVE DATE.—The amendments made by
19 subsection (a) shall take effect on October 1, 2007.

20 **SEC. 8308. GARNISHMENT OF COMPENSATION PAID TO VET-**
21 **ERANS FOR SERVICE-CONNECTED DISABIL-**
22 **ITIES IN ORDER TO ENFORCE CHILD SUP-**
23 **PORT OBLIGATIONS.**

24 (a) IN GENERAL.—Section 459(h) (42 U.S.C.
25 659(h)) is amended—



1 (1) in paragraph (1)(A)(ii)(V), by striking all
2 that follows “Armed Forces” and inserting a semi-
3 colon; and

4 (2) by adding at the end the following:

5 “(3) LIMITATIONS WITH RESPECT TO COM-
6 PENSATION PAID TO VETERANS FOR SERVICE-CON-
7 NECTED DISABILITIES.—Notwithstanding any other
8 provision of this section:

9 “(A) Compensation described in paragraph
10 (1)(A)(ii)(V) shall not be subject to withholding
11 pursuant to this section—

12 “(i) for payment of alimony; or

13 “(ii) for payment of child support if
14 the individual is fewer than 60 days in ar-
15 rears in payment of the support.

16 “(B) Not more than 50 percent of any
17 payment of compensation described in para-
18 graph (1)(A)(ii)(V) may be withheld pursuant
19 to this section.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall take effect on October 1, 2007.

22 **SEC. 8309. MAINTENANCE OF TECHNICAL ASSISTANCE**
23 **FUNDING.**

24 Section 452(j) (42 U.S.C. 652(j)) is amended by in-
25 serting “or the amount appropriated under this paragraph



1 for fiscal year 2002, whichever is greater,” before “which
2 shall be available”.

3 **SEC. 8310. MAINTENANCE OF FEDERAL PARENT LOCATOR**
4 **SERVICE FUNDING.**

5 Section 453(o) (42 U.S.C. 653(o)) is amended—

6 (1) in the 1st sentence, by inserting “or the
7 amount appropriated under this paragraph for fiscal
8 year 2002, whichever is greater,” before “which
9 shall be available”; and

10 (2) in the 2nd sentence, by striking “for each
11 of fiscal years 1997 through 2001”.

12 **SEC. 8311. INFORMATION COMPARISONS WITH INSURANCE**
13 **DATA.**

14 (a) DUTIES OF THE SECRETARY.—Section 452 (42
15 U.S.C. 652) is amended by adding at the end the fol-
16 lowing:

17 “(m) COMPARISONS WITH INSURANCE INFORMA-
18 TION.—

19 “(1) IN GENERAL.—The Secretary, through the
20 Federal Parent Locator Service, may—

21 “(A) compare information concerning indi-
22 viduals owing past-due support with informa-
23 tion maintained by insurers (or their agents)
24 concerning insurance claims, settlements,
25 awards, and payments, and



1 “(B) furnish information resulting from
2 such a comparison to the State agencies respon-
3 sible for collecting child support from such indi-
4 viduals.

5 “(2) LIABILITY.—An insurer (including any
6 agent of an insurer) shall not be liable under any
7 Federal or State law to any person for any disclo-
8 sure provided for under this subsection, or for any
9 other action taken in good faith in accordance with
10 this subsection.”.

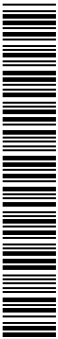
(b) STATE REIMBURSEMENT OF FEDERAL COSTS.—
Section 453(k)(3) (42 U.S.C. 653(k)(3)) is amended by
inserting “or section 452(m)” after “this section” .

14 SEC. 8312. TRIBAL ACCESS TO THE FEDERAL PARENT LO-
15 CATOR SERVICE.

Section 453(c)(1) (42 U.S.C. 653(c)(1)) is amended
by inserting “or of any Indian tribe or tribal organization”
after “any agent or attorney of any State”.

19 SEC. 8313. REIMBURSEMENT OF SECRETARY'S COSTS OF IN-
20 FORMATION COMPARISONS AND DISCLO-
21 SURE FOR ENFORCEMENT OF OBLIGATIONS
22 ON HIGHER EDUCATION ACT LOANS AND
23 GRANTS.

24 Section 453(j)(6)(F) (42 U.S.C. 653(j)(6)(F)) is
25 amended by striking “additional”.



1 **SEC. 8314. TECHNICAL AMENDMENT RELATING TO COOP-**
2 **ERATIVE AGREEMENTS BETWEEN STATES**
3 **AND INDIAN TRIBES.**

4 Section 454(33) (42 U.S.C. 654(33)) is amended by
5 striking “that receives funding pursuant to section 428
6 and”.

7 **SEC. 8315. STATE OPTION TO USE STATEWIDE AUTOMATED**
8 **DATA PROCESSING AND INFORMATION RE-**
9 **TRIEVAL SYSTEM FOR INTERSTATE CASES.**

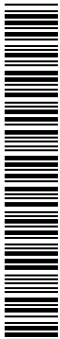
10 Section 466(a)(14)(A)(iii) (42 U.S.C.
11 666(a)(14)(A)(iii)) is amended by inserting “(but the as-
12 sisting State may establish a corresponding case based on
13 such other State’s request for assistance)”before the semi-
14 colon.

15 **SEC. 8316. MODIFICATION OF RULE REQUIRING ASSIGN-**
16 **MENT OF SUPPORT RIGHTS AS A CONDITION**
17 **OF RECEIVING TANF.**

18 (a) IN GENERAL.—Section 408(a)(3) (42 U.S.C.
19 608(a)(3)) is amended to read as follows:

20 “(3) NO ASSISTANCE FOR FAMILIES NOT AS-
21 SIGNING CERTAIN SUPPORT RIGHTS TO THE
22 STATE.—

23 “(A) IN GENERAL.—Subject to subpara-
24 graph (B), a State to which a grant is made
25 under section 403 shall require, as a condition
26 of providing assistance to a family under the



1 State program funded under this part, that a
2 member of the family assign to the State any
3 rights the family member may have (on behalf
4 of the family member or of any other person for
5 whom the family member has applied for or is
6 receiving such assistance) to—

7 “(i) support from any other person
8 which accrues during the period that the
9 family receives assistance under the pro-
10 gram; and

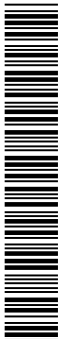
11 “(ii) at the option of the State, sup-
12 port from any other person which has ac-
13 crued before such period.

14 “(B) LIMITATION.—The total amount of
15 support that may be required to be provided
16 with respect to rights assigned to a State by a
17 family member pursuant to subparagraph (A)
18 shall not exceed the total amount of assistance
19 provided by the State to the family.”.

20 (b) EFFECTIVE DATE.—The amendment made by
21 subsection (a) shall take effect on October 1, 2008.

22 **SEC. 8317. STATE OPTION TO DISCONTINUE CERTAIN SUP-**
23 **PORT ASSIGNMENTS.**

24 Section 457(b) (42 U.S.C. 657(b)) is amended by
25 striking “shall” and inserting “may”.



1 **SEC. 8318. TECHNICAL CORRECTION.**

2 The second paragraph (7) of section 453(j) (42
3 U.S.C. 653(j)) is amended by striking “(7)” and inserting
4 “(9)”.

5 **SEC. 8319. REDUCTION IN RATE OF REIMBURSEMENT OF**
6 **CHILD SUPPORT ADMINISTRATIVE EX-**
7 **PENSES.**

8 Section 455(a)(2) (42 U.S.C. 655(a)(2)) is
9 amended—

10 (1) in subparagraph (B), by striking “, and”
11 and inserting a semicolon;

12 (2) in subparagraph (C), by striking “fiscal
13 year 1990 and each fiscal year thereafter.” and in-
14 serting “fiscal years 1990 through 2006;” and

15 (3) by adding at the end the following:

16 “(D) 62 percent for fiscal year 2007;

17 “(E) 58 percent for fiscal year 2008;

18 “(F) 54 percent for fiscal year 2009; and

19 “(G) 50 percent for fiscal year 2010 and
20 each fiscal year thereafter.”.

21 **SEC. 8320. INCENTIVE PAYMENTS.**

22 (a) IN GENERAL.—Section 455(a)(1) (42 U.S.C.
23 655(a)(1)) is amended by inserting “from amounts paid
24 to the State under section 458 or” before “to carry out
25 an agreement”.



1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) shall take effect on October 1, 2007.

3 **Subtitle D—Child Welfare**

4 **SEC. 8401. EXTENSION OF AUTHORITY TO APPROVE DEM-**
5 **ONSTRATION PROJECTS.**

6 Section 1130(a)(2) (42 U.S.C. 1320a–9(a)(2)) is
7 amended by striking “2002” and inserting “2010”.

8 **SEC. 8402. ELIMINATION OF LIMITATION ON NUMBER OF**
9 **WAIVERS.**

10 Section 1130(a)(2) (42 U.S.C. 1320a–9(a)(2)) is
11 amended by striking “not more than 10”.

12 **SEC. 8403. ELIMINATION OF LIMITATION ON NUMBER OF**
13 **STATES THAT MAY BE GRANTED WAIVERS TO**
14 **CONDUCT DEMONSTRATION PROJECTS ON**
15 **SAME TOPIC.**

16 Section 1130 (42 U.S.C. 1320a–9) is amended by
17 adding at the end the following:

18 “(h) NO LIMIT ON NUMBER OF STATES THAT MAY
19 BE GRANTED WAIVERS TO CONDUCT SAME OR SIMILAR
20 DEMONSTRATION PROJECTS.—The Secretary shall not
21 refuse to grant a waiver to a State under this section on
22 the grounds that a purpose of the waiver or of the dem-
23 onstration project for which the waiver is necessary would
24 be the same as or similar to a purpose of another waiver



1 or project that is or may be conducted under this sec-
2 tion.”.

3 **SEC. 8404. ELIMINATION OF LIMITATION ON NUMBER OF**
4 **WAIVERS THAT MAY BE GRANTED TO A SIN-**
5 **GLE STATE FOR DEMONSTRATION PROJECTS.**

6 Section 1130 (42 U.S.C. 1320a–9) is further amend-
7 ed by adding at the end the following:

8 “(i) NO LIMIT ON NUMBER OF WAIVERS GRANTED
9 TO, OR DEMONSTRATION PROJECTS THAT MAY BE CON-
10 DUCTED BY, A SINGLE STATE.—The Secretary shall not
11 impose any limit on the number of waivers that may be
12 granted to a State, or the number of demonstration
13 projects that a State may be authorized to conduct, under
14 this section.”.

15 **SEC. 8405. STREAMLINED PROCESS FOR CONSIDERATION**
16 **OF AMENDMENTS TO AND EXTENSIONS OF**
17 **DEMONSTRATION PROJECTS REQUIRING**
18 **WAIVERS.**

19 Section 1130 (42 U.S.C. 1320a–9) is further amend-
20 ed by adding at the end the following:

21 “(j) STREAMLINED PROCESS FOR CONSIDERATION
22 OF AMENDMENTS AND EXTENSIONS.—The Secretary
23 shall develop a streamlined process for consideration of
24 amendments and extensions proposed by States to dem-
25 onstration projects conducted under this section.”.



1 **SEC. 8406. AVAILABILITY OF REPORTS.**

2 Section 1130 (42 U.S.C. 1320a-9) is further amend-
3 ed by adding at the end the following:

4 “(k) AVAILABILITY OF REPORTS.—The Secretary
5 shall make available to any State or other interested party
6 any report provided to the Secretary under subsection
7 (f)(2), and any evaluation or report made by the Secretary
8 with respect to a demonstration project conducted under
9 this section, with a focus on information that may promote
10 best practices and program improvements.”.

11 **SEC. 8407. CLARIFICATION OF ELIGIBILITY FOR FOSTER**
12 **CARE MAINTENANCE PAYMENTS AND ADOP-**
13 **TION ASSISTANCE.**

14 (a) FOSTER CARE MAINTENANCE PAYMENTS.—Sec-
15 tion 472(a) (42 U.S.C. 672(a)) is amended to read as fol-
16 lows:

17 “(a) IN GENERAL.—

18 “(1) ELIGIBILITY.—Each State with a plan ap-
19 proved under this part shall make foster care main-
20 tenance payments on behalf of each child who has
21 been removed from the home of a relative specified
22 in section 406(a) (as in effect on July 16, 1996)
23 into foster care if—

24 “(A) the removal and foster care place-
25 ment met, and the placement continues to meet,
26 the requirements of paragraph (2); and



1 “(B) the child, while in the home, would
2 have met the AFDC eligibility requirement of
3 paragraph (3).

4 “(2) REMOVAL AND FOSTER CARE PLACEMENT
5 REQUIREMENTS.—The removal and foster care
6 placement of a child meet the requirements of this
7 paragraph if—

8 “(A) the removal and foster care place-
9 ment are in accordance with—

10 “(i) a voluntary placement agreement
11 entered into by a parent or legal guardian
12 of the child who is the relative referred to
13 in paragraph (1); or

14 “(ii) a judicial determination to the
15 effect that continuation in the home from
16 which removed would be contrary to the
17 welfare of the child and that reasonable ef-
18 forts of the type described in section
19 471(a)(15) for a child have been made;

20 “(B) the child’s placement and care are
21 the responsibility of—

22 “(i) the State agency administering
23 the State plan approved under section 471;
24 or



1 “(ii) any other public agency with
2 which the State agency administering or
3 supervising the administration of the State
4 plan has made an agreement which is in
5 effect; and

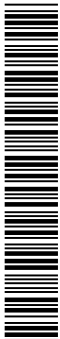
6 “(C) the child has been placed in a foster
7 family home or child-care institution.

8 “(3) AFDC ELIGIBILITY REQUIREMENT.—

9 “(A) IN GENERAL.—A child in the home
10 referred to in paragraph (1) would have met
11 the AFDC eligibility requirement of this para-
12 graph if the child—

13 “(i) would have received aid under the
14 State plan approved under section 402 (as
15 in effect on July 16, 1996) in the home, in
16 or for the month in which the agreement
17 was entered into or court proceedings lead-
18 ing to the determination referred to in
19 paragraph (2)(A)(ii) of this subsection
20 were initiated; or

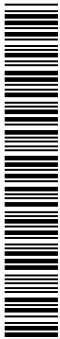
21 “(ii)(I) would have received the aid in
22 the home, in or for the month referred to
23 in clause (i), if application had been made
24 therefor; or



1 “(II) had been living in the home
2 within 6 months before the month in which
3 the agreement was entered into or the pro-
4 ceedings were initiated, and would have re-
5 ceived the aid in or for such month, if, in
6 such month, the child had been living in
7 the home with the relative referred to in
8 paragraph (1) and application for the aid
9 had been made.

10 “(B) RESOURCES DETERMINATION.—For
11 purposes of subparagraph (A), in determining
12 whether a child would have received aid under
13 a State plan approved under section 402 (as in
14 effect on July 16, 1996), a child whose re-
15 sources (determined pursuant to section
16 402(a)(7)(B), as so in effect) have a combined
17 value of not more than \$10,000 shall be consid-
18 ered a child whose resources have a combined
19 value of not more than \$1,000 (or such lower
20 amount as the State may determine for pur-
21 poses of section 402(a)(7)(B)).

22 “(4) ELIGIBILITY OF CERTAIN ALIEN CHIL-
23 DREN.—Subject to title IV of the Personal Responsi-
24 bility and Work Opportunity Reconciliation Act of
25 1996, if the child is an alien disqualified under sec-

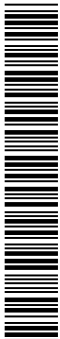


1 tion 245A(h) or 210(f) of the Immigration and Na-
2 tionality Act from receiving aid under the State plan
3 approved under section 402 in or for the month in
4 which the agreement described in paragraph
5 (2)(A)(i) was entered into or court proceedings lead-
6 ing to the determination described in paragraph
7 (2)(A)(ii) were initiated, the child shall be consid-
8 ered to satisfy the requirements of paragraph (3),
9 with respect to the month, if the child would have
10 satisfied the requirements but for the disqualifica-
11 tion.”.

12 (b) ADOPTION ASSISTANCE.—Section 473(a)(2) (42
13 U.S.C. 673(a)(2)) is amended to read as follows:

14 “(2)(A) For purposes of paragraph (1)(B)(ii), a child
15 meets the requirements of this paragraph if the child—

16 “(i)(I)(aa) was removed from the home of a rel-
17 ative specified in section 406(a) (as in effect on July
18 16, 1996) and placed in foster care in accordance
19 with a voluntary placement agreement with respect
20 to which Federal payments are provided under sec-
21 tion 474 (or section 403, as such section was in ef-
22 fect on July 16, 1996), or in accordance with a judi-
23 cial determination to the effect that continuation in
24 the home would be contrary to the welfare of the
25 child; and



1 “(bb) met the requirements of section 472(a)(3)
2 with respect to the home referred to in item (aa) of
3 this subclause;

4 “(II) meets all of the requirements of title XVI
5 with respect to eligibility for supplemental security
6 income benefits; or

7 “(III) is a child whose costs in a foster family
8 home or child-care institution are covered by the fos-
9 ter care maintenance payments being made with re-
10 spect to the minor parent of the child as provided
11 in section 475(4)(B); and

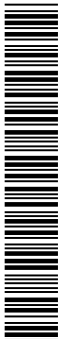
12 “(ii) has been determined by the State, pursu-
13 ant to subsection (c) of this section, to be a child
14 with special needs.

15 “(B) Section 472(a)(4) shall apply for purposes of
16 subparagraph (A) of this paragraph, in any case in which
17 the child is an alien described in such section.

18 “(C) A child shall be treated as meeting the require-
19 ments of this paragraph for the purpose of paragraph
20 (1)(B)(ii) if the child—

21 “(i) meets the requirements of subparagraph
22 (A)(ii);

23 “(ii) was determined eligible for adoption assist-
24 ance payments under this part with respect to a
25 prior adoption;



1 “(iii) is available for adoption because—

2 “(I) the prior adoption has been dissolved,
3 and the parental rights of the adoptive parents
4 have been terminated; or

5 “(II) the child’s adoptive parents have
6 died; and

7 “(iv) fails to meet the requirements of subpara-
8 graph (A) but would meet such requirements if—

9 “(I) the child were treated as if the child
10 were in the same financial and other cir-
11 cumstances the child was in the last time the
12 child was determined eligible for adoption as-
13 sistance payments under this part; and

14 “(II) the prior adoption were treated as
15 never having occurred.”.

16 **SEC. 8408. CLARIFICATION REGARDING FEDERAL MATCH-**
17 **ING OF CERTAIN ADMINISTRATIVE COSTS**
18 **UNDER THE FOSTER CARE MAINTENANCE**
19 **PAYMENTS PROGRAM.**

20 (a) ADMINISTRATIVE COSTS RELATING TO UNLI-
21 CENSED CARE.—Section 472 (42 U.S.C. 672) is amended
22 by inserting after subsection (h) the following:

23 “(i) ADMINISTRATIVE COSTS ASSOCIATED WITH
24 OTHERWISE ELIGIBLE CHILDREN NOT IN LICENSED FOS-
25 TER CARE SETTINGS.—Expenditures by a State that



1 would be considered administrative expenditures for pur-
2 poses of section 474(a)(3) if made with respect to a child
3 who was residing in a foster family home or child-care in-
4 stitution shall be so considered with respect to a child not
5 residing in such a home or institution—

6 “(1) in the case of a child who has been re-
7 moved in accordance with subsection (a) of this sec-
8 tion from the home of a relative specified in section
9 406(a) (as in effect on July 16, 1996), only for
10 expenditures—

11 “(A) with respect to a period of not more
12 than the lesser of 12 months or the average
13 length of time it takes for the State to license
14 or approve a home as a foster home, in which
15 the child is in the home of a relative and an ap-
16 plication is pending for licensing or approval of
17 the home as a foster family home; or

18 “(B) with respect to a period of not more
19 than 1 calendar month when a child moves
20 from a facility not eligible for payments under
21 this part into a foster family home or child care
22 institution licensed or approved by the State;
23 and

24 “(2) in the case of any other child who is poten-
25 tially eligible for benefits under a State plan ap-



1 proved under this part and at imminent risk of re-
2 moval from the home, only if—

3 “(A) reasonable efforts are being made in
4 accordance with section 471(a)(15) to prevent
5 the need for, or if necessary to pursue, removal
6 of the child from the home; and

7 “(B) the State agency has made, not less
8 often than every 6 months, a determination (or
9 redetermination) as to whether the child re-
10 mains at imminent risk of removal from the
11 home.”.

12 (b) CONFORMING AMENDMENT.—Section 474(a)(3)
13 of such Act (42 U.S.C. 674(a)(3)) is amended by inserting
14 “subject to section 472(i)” before “an amount equal to”.

15 **SEC. 8409. TECHNICAL CORRECTION.**

16 Section 1130(b)(1) (42 U.S.C. 1320a–9(b)(1)) is
17 amended by striking “422(b)(9)” and inserting
18 “422(b)(10)”.

19 **SEC. 8410. TECHNICAL CORRECTION.**

20 Section 470 (42 U.S.C. 670) is amended by striking
21 “June 1, 1995” and inserting “July 16, 1996”.



1 **Subtitle E—Supplemental Security**
2 **Income**

3 **SEC. 8501. REVIEW OF STATE AGENCY BLINDNESS AND DIS-**
4 **ABILITY DETERMINATIONS.**

5 Section 1633 (42 U.S.C. 1383b) is amended by add-
6 ing at the end the following:

7 “(e)(1) The Commissioner of Social Security shall re-
8 view determinations, made by State agencies pursuant to
9 subsection (a) in connection with applications for benefits
10 under this title on the basis of blindness or disability, that
11 individuals who have attained 18 years of age are blind
12 or disabled as of a specified onset date. The Commissioner
13 of Social Security shall review such a determination before
14 any action is taken to implement the determination.

15 “(2)(A) In carrying out paragraph (1), the Commis-
16 sioner of Social Security shall review—

17 “(i) at least 20 percent of all determinations re-
18 ferred to in paragraph (1) that are made in fiscal
19 year 2006;

20 “(ii) at least 40 percent of all such determina-
21 tions that are made in fiscal year 2007; and

22 “(iii) at least 50 percent of all such determina-
23 tions that are made in fiscal year 2008 or thereafter.

24 “(B) In carrying out subparagraph (A), the Commis-
25 sioner of Social Security shall, to the extent feasible, select



1 for review the determinations which the Commissioner of
2 Social Security identifies as being the most likely to be
3 incorrect.”.

4 **SEC. 8502. PAYMENT OF CERTAIN LUMP SUM BENEFITS IN**
5 **INSTALLMENTS UNDER THE SUPPLEMENTAL**
6 **SECURITY INCOME PROGRAM.**

7 (a) IN GENERAL.—Section 1631(a)(10)(A)(i) (42
8 U.S.C. 1383(a)(10)(A)(i)) is amended by striking “12”
9 and inserting “3”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) shall take effect 3 months after the date
12 of the enactment of this Act.

13 **Subtitle F—State and Local**
14 **Flexibility**

15 **SEC. 8601. PROGRAM COORDINATION DEMONSTRATION**
16 **PROJECTS.**

17 (a) PURPOSE.—The purpose of this section is to es-
18 tablish a program of demonstration projects in a State or
19 portion of a State to coordinate multiple public assistance,
20 workforce development, and other programs, for the pur-
21 pose of supporting working individuals and families, help-
22 ing families escape welfare dependency, promoting child
23 well-being, or helping build stronger families, using inno-
24 vative approaches to strengthen service systems and pro-
25 vide more coordinated and effective service delivery.



1 (b) DEFINITIONS.—In this section:

2 (1) ADMINISTERING SECRETARY.—The term
3 “administering Secretary” means, with respect to a
4 qualified program, the head of the Federal agency
5 responsible for administering the program.

6 (2) QUALIFIED PROGRAM.—The term “qualified
7 program” means—

8 (A) a program under part A of title IV of
9 the Social Security Act; or

10 (B) the program under title XX of such
11 Act.

12 (c) APPLICATION REQUIREMENTS.—The head of a
13 State entity or of a sub-State entity administering 2 or
14 more qualified programs proposed to be included in a dem-
15 onstration project under this section shall (or, if the
16 project is proposed to include qualified programs adminis-
17 tered by 2 or more such entities, the heads of the admin-
18 istering entities (each of whom shall be considered an ap-
19 plicant for purposes of this section) shall jointly) submit
20 to the administering Secretary of each such program an
21 application that contains the following:

22 (1) PROGRAMS INCLUDED.—A statement identi-
23 fying each qualified program to be included in the
24 project, and describing how the purposes of each
25 such program will be achieved by the project.



1 (2) POPULATION SERVED.—A statement identi-
2 fying the population to be served by the project and
3 specifying the eligibility criteria to be used.

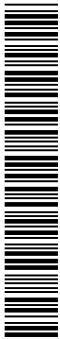
4 (3) DESCRIPTION AND JUSTIFICATION.—A de-
5 tailed description of the project, including—

6 (A) a description of how the project is ex-
7 pected to improve or enhance achievement of
8 the purposes of the programs to be included in
9 the project, from the standpoint of quality, of
10 cost-effectiveness, or of both; and

11 (B) a description of the performance objec-
12 tives for the project, including any proposed
13 modifications to the performance measures and
14 reporting requirements used in the programs.

15 (4) WAIVERS REQUESTED.—A description of
16 the statutory and regulatory requirements with re-
17 spect to which a waiver is requested in order to
18 carry out the project, and a justification of the need
19 for each such waiver.

20 (5) COST NEUTRALITY.—Such information and
21 assurances as necessary to establish to the satisfac-
22 tion of the administering Secretary, in consultation
23 with the Director of the Office of Management and
24 Budget, that the proposed project is reasonably ex-



1 pected to meet the applicable cost neutrality require-
2 ments of subsection (d)(4).

3 (6) EVALUATION AND REPORTS.—An assurance
4 that the applicant will conduct ongoing and final
5 evaluations of the project, and make interim and
6 final reports to the administering Secretary, at such
7 times and in such manner as the administering Sec-
8 retary may require.

9 (7) OTHER INFORMATION AND ASSURANCES.—
10 Such other information and assurances as the ad-
11 ministering Secretary may require.

12 (d) APPROVAL OF APPLICATIONS.—

13 (1) IN GENERAL.—The administering Secretary
14 with respect to a qualified program that is identified
15 in an application submitted pursuant to subsection
16 (c) may approve the application and, except as pro-
17 vided in paragraph (2), waive any requirement appli-
18 cable to the program, to the extent consistent with
19 this section and necessary and appropriate for the
20 conduct of the demonstration project proposed in the
21 application, if the administering Secretary deter-
22 mines that the project—

23 (A) has a reasonable likelihood of achieving
24 the objectives of the programs to be included in
25 the project;



1 (B) may reasonably be expected to meet
2 the applicable cost neutrality requirements of
3 paragraph (4), as determined by the Director of
4 the Office of Management and Budget; and

5 (C) includes the coordination of 2 or more
6 qualified programs.

7 (2) PROVISIONS EXCLUDED FROM WAIVER AU-
8 THORITY.—A waiver shall not be granted under
9 paragraph (1) with respect to any provision of law
10 relating to—

11 (A) civil rights or prohibition of discrimi-
12 nation;

13 (B) purposes or goals of any program;

14 (C) maintenance of effort requirements;

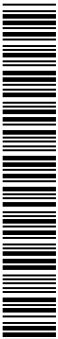
15 (D) health or safety;

16 (E) labor standards under the Fair Labor
17 Standards Act of 1938; or

18 (F) environmental protection;

19 (3) AGREEMENT OF EACH ADMINISTERING SEC-
20 RETARY REQUIRED.—

21 (A) IN GENERAL.—An applicant may not
22 conduct a demonstration project under this sec-
23 tion unless each administering Secretary with
24 respect to any program proposed to be included

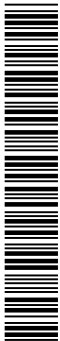


1 in the project has approved the application to
2 conduct the project.

3 (B) AGREEMENT WITH RESPECT TO FUND-
4 ING AND IMPLEMENTATION.—Before approving
5 an application to conduct a demonstration
6 project under this section, an administering
7 Secretary shall have in place an agreement with
8 the applicant with respect to the payment of
9 funds and responsibilities required of the ad-
10 ministering Secretary with respect to the
11 project.

12 (4) COST-NEUTRALITY REQUIREMENT.—

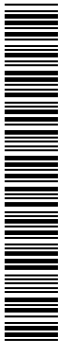
13 (A) GENERAL RULE.—Notwithstanding
14 any other provision of law (except subparagraph
15 (B)), the total of the amounts that may be paid
16 by the Federal Government for a fiscal year
17 with respect to the programs in the State in
18 which an entity conducting a demonstration
19 project under this section is located that are af-
20 fected by the project shall not exceed the esti-
21 mated total amount that the Federal Govern-
22 ment would have paid for the fiscal year with
23 respect to the programs if the project had not
24 been conducted, as determined by the Director
25 of the Office of Management and Budget.



1 (B) SPECIAL RULE.—If an applicant sub-
2 mits to the Director of the Office of Manage-
3 ment and Budget a request to apply the rules
4 of this subparagraph to the programs in the
5 State in which the applicant is located that are
6 affected by a demonstration project proposed in
7 an application submitted by the applicant pur-
8 suant to this section, during such period of not
9 more than 5 consecutive fiscal years in which
10 the project is in effect, and the Director deter-
11 mines, on the basis of supporting information
12 provided by the applicant, to grant the request,
13 then, notwithstanding any other provision of
14 law, the total of the amounts that may be paid
15 by the Federal Government for the period with
16 respect to the programs shall not exceed the es-
17 timated total amount that the Federal Govern-
18 ment would have paid for the period with re-
19 spect to the programs if the project had not
20 been conducted.

21 (5) 90-DAY APPROVAL DEADLINE.—

22 (A) IN GENERAL.—If an administering
23 Secretary receives an application to conduct a
24 demonstration project under this section and



1 does not disapprove the application within 90
2 days after the receipt, then—

3 (i) the administering Secretary is
4 deemed to have approved the application
5 for such period as is requested in the ap-
6 plication, except to the extent inconsistent
7 with subsection (e); and

8 (ii) any waiver requested in the appli-
9 cation which applies to a qualified program
10 that is identified in the application and is
11 administered by the administering Sec-
12 retary is deemed to be granted, except to
13 the extent inconsistent with paragraph (2)
14 or (4) of this subsection.

15 (B) DEADLINE EXTENDED IF ADDITIONAL
16 INFORMATION IS SOUGHT.—The 90-day period
17 referred to in subparagraph (A) shall not in-
18 clude any period that begins with the date the
19 Secretary requests the applicant to provide ad-
20 ditional information with respect to the applica-
21 tion and ends with the date the additional in-
22 formation is provided.

23 (e) DURATION OF PROJECTS.—A demonstration
24 project under this section may be approved for a term of
25 not more than 5 years.



1 (f) REPORTS TO CONGRESS.—

2 (1) REPORT ON DISPOSITION OF APPLICA-
3 TIONS.—Within 90 days after an administering Sec-
4 retary receives an application submitted pursuant to
5 this section, the administering Secretary shall sub-
6 mit to each Committee of the Congress which has
7 jurisdiction over a qualified program identified in
8 the application notice of the receipt, a description of
9 the decision of the administering Secretary with re-
10 spect to the application, and the reasons for approv-
11 ing or disapproving the application.

12 (2) REPORTS ON PROJECTS.—Each admin-
13 istering Secretary shall provide annually to the Con-
14 gress a report concerning demonstration projects ap-
15 proved under this section, including—

16 (A) the projects approved for each appli-
17 cant;

18 (B) the number of waivers granted under
19 this section, and the specific statutory provi-
20 sions waived;

21 (C) how well each project for which a waiv-
22 er is granted is improving or enhancing pro-
23 gram achievement from the standpoint of qual-
24 ity, cost-effectiveness, or both;



1 (D) how well each project for which a
2 waiver is granted is meeting the performance
3 objectives specified in subsection (c)(3)(B);

4 (E) how each project for which a waiver is
5 granted is conforming with the cost-neutrality
6 requirements of subsection (d)(4); and

7 (F) to the extent the administering Sec-
8 retary deems appropriate, recommendations for
9 modification of programs based on outcomes of
10 the projects.

11 **Subtitle G—Repeal of Continued**
12 **Dumping and Subsidy Offset**

13 **SEC. 8701. REPEAL OF CONTINUED DUMPING AND SUBSIDY**
14 **OFFSET.**

15 (a) REPEAL.—Section 754 of the Tariff Act of 1930
16 (19 U.S.C. 1675c), and the item relating to section 754
17 in the table of contents for title VII of that Act, are re-
18 pealed.

19 (b) EXISTING ACCOUNTS.—All amounts remaining,
20 upon the enactment of this title, in any special account
21 established under section 754(e)(1) of the Tariff Act of
22 1930 (as in effect on the day before the date of the enact-
23 ment of this title) shall be deposited in the general fund
24 of the Treasury.



1 **Subtitle H—Effective Date**

2 **SEC. 8801. EFFECTIVE DATE.**

3 (a) IN GENERAL.—Except as otherwise provided in
4 this title, this title and the amendments made by this title
5 shall be effective as of October 1, 2005.

6 (b) EXCEPTION.—In the case of a State plan under
7 part A or D of title IV of the Social Security Act which
8 the Secretary determines requires State legislation in
9 order for the plan to meet the additional requirements im-
10 posed by the amendments made by this title, the effective
11 date of the amendments imposing the additional require-
12 ments shall be 3 months after the first day of the first
13 calendar quarter beginning after the close of the first reg-
14 ular session of the State legislature that begins after the
15 date of the enactment of this Act. For purposes of the
16 preceding sentence, in the case of a State that has a 2-
17 year legislative session, each year of the session shall be
18 considered to be a separate regular session of the State
19 legislature.

